

May 16 Budget Proposal Introduced Bills

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**STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
WITH ONE-TIME FINANCING SOURCES**

	FY 2006 Proposal	1/ FY 2007 Proposal
REVENUES		
On-going Revenues	\$9,289,480,500	\$9,994,454,100
Enacted Revenue Adjustments	6,362,000	12,362,000
Enacted Tax Law Changes	(18,050,000)	(37,230,000)
Tax Reductions	0	(250,000,000)
IRS Conformity	0	(1,400,000)
GF Powerball @ 31 M (LTAF II Gain)	0	(6,000,000)
Eliminate Pima County Probation Payment	0	(1,381,900)
Other Bills - Tax/Revenue	0	(13,531,600)
Dispro Share Increase	16,162,900	0
Urban Revenue Sharing	(425,228,900)	(551,315,800)
Revised On-going Revenues	8,868,726,500	9,145,956,800
One-time Revenues		
Balance Forward	638,989,000	759,555,100
Corporate Consolidated Returns	0	(4,000,000)
Revised June Estimated TPT Threshold	0	(20,200,000)
New FY 2006 Fund Transfers	10,000,000	0
Subtotal One-time Revenues	648,989,000	735,355,100
Total Revenues	\$9,517,715,500	\$9,881,311,900
EXPENDITURES		
Operating Budget Appropriations	8,194,258,600	9,030,721,400
FY 2006 Supplementals	50,933,900	0
Chapter One Salary Adjustment	39,854,000	130,241,800
Flores Litigation	2,555,000	31,410,000
Methamphetamine - Legislation	0	8,000,000
Maximizing Federal Fund Savings	(15,000,000)	(5,000,000)
Administrative Adjustments	57,000,000	48,000,000
Revertments	(100,169,300)	(101,169,300)
Subtotal Permanent Expenditures	8,229,432,200	9,142,203,900
One-time Expenditures		
SFB Deficiencies Corrections	20,000,000	0
SFB Payment Holiday	(22,005,100)	0
Capital Outlay	17,150,000	112,004,200
Highway Fund Deposit	0	245,000,000
Ladewig Litigation Payments	58,300,000	94,800,100
Kerr Lawsuit	0	15,000,000
Budget Stabilization Fund Deposits	455,283,300	9,808,600
Border Projects	0	105,000,000
General Fund Transfers	0	14,350,000
New One-time Expenditures	0	132,166,400
Subtotal One-time Expenditures	528,728,200	728,129,300
Total Expenditures	\$8,758,160,400	\$9,870,333,200
NET AVAILABLE RESOURCES 2/	\$759,555,100	\$10,978,700
Structural Balance 3/	\$639,294,300	\$3,752,900

1/ Reflects current status of FY 2006, including updated revenues.

2/ Revenues less expenditures.

3/ The structural balance reflects the difference between permanent ongoing revenues and permanent ongoing expenditures.

MAJOR AGENCY APPROPRIATIONS

	FY 2006 Proposal	FY 2007 Above FY 2006 Proposal	FY 2007 Proposal Total Appropriation
EXPENDITURES			
Operating Budget			
-- Department of Administration	24,972,900	702,700	25,675,600
-- AHCCCS	1,035,090,900	145,525,300	1,180,616,200
-- Attorney General	25,037,500	(4,541,000)	20,496,500
-- Department of Commerce	11,450,100	250,000	11,700,100
-- Community Colleges	154,075,700	10,460,900	164,536,600
-- Department of Corrections	707,512,400	60,303,400	767,815,800
-- Department of Economic Security	630,214,300	53,045,300	683,259,600
-- Department of Education	3,358,724,700	352,536,600	3,711,261,300
-- Department of Environmental Quality	24,347,000	6,376,900	30,723,900
-- Department of Health Services	483,563,400	44,970,000	528,533,400
-- Judiciary	117,929,900	7,718,800	125,648,700
-- Department of Juvenile Corrections	69,801,300	3,703,000	73,504,300
-- State Land Department	29,021,700	(3,614,200)	25,407,500
-- State Parks Board	22,447,600	3,382,900	25,830,500
-- Department of Public Safety	44,582,100	115,407,300	159,989,400
-- Department of Revenue	65,557,800	(125,000)	65,432,800
-- School Facilities Board	394,591,300	19,071,800	413,663,100
-- Office of Tourism	13,203,500	1,782,500	14,986,000
-- Universities	843,142,300	19,841,900	862,984,200
-- Department of Water Resources	18,796,600	1,000,000	19,796,600
-- All Other Budgets	161,002,700	22,295,300	183,298,000
-- Pay Adjustments	126,800	(126,800)	0
-- Biennial Pay Adjustments	0	1,500,000	1,500,000
-- Attorney General Cost Allocation	0	4,595,700	4,595,700
-- State Employee Health Insurance	10,000,000	18,695,900	28,695,900
-- State Employer Retirement Increase	0	27,635,500	27,635,500
-- AZNET	0	5,300,600	5,300,600
-- One time Spending	0	(132,166,400)	(132,166,400)
Total - Operating Budget	\$8,245,192,500	\$785,528,900	\$9,030,721,400
-- Capital Outlay	17,150,000	94,854,200	112,004,200
-- Ladewig Set-aside	58,300,000	36,500,100	94,800,100
-- Flores Set-aside	2,555,000	28,855,000	31,410,000
-- Budget Stabilization Fund	455,283,300	(445,474,700)	9,808,600
-- Maximizing Federal Funds	(15,000,000)	10,000,000	(5,000,000)
-- Administrative Adjustments	57,000,000	(9,000,000)	48,000,000
-- Revertments	(100,169,300)	(1,000,000)	(101,169,300)
-- SFB Payment Holiday	(22,005,100)	22,005,100	0
-- Kerr Lawsuit	0	15,000,000	15,000,000
-- SFB Deficiencies Corrections	20,000,000	(20,000,000)	0
-- Highway Fund Deposit	0	245,000,000	245,000,000
-- Payback of HURF for Prior DPS Use	0	0 ^{1/}	0
-- One-time Border Projects	0	105,000,000	105,000,000
-- Methamphetamine	0	8,000,000	8,000,000
-- Chapter One Salary Adjustment	39,854,000	90,387,800	130,241,800
-- One-time Fund Transfers	0	14,350,000	14,350,000
-- New One-time Expenditures	0	132,166,400	132,166,400
Total Spending	\$8,758,160,400	1,112,172,800	\$9,870,333,200

^{1/} \$82 million is included in the DPS Operating Budget.

SUMMARY OF CAPITAL AND OTHER ONE-TIME OPERATING BUDGET ITEMS

FY 2007 Operating Budget

Land	500,000	Due Diligence Revolving Fund Deposit
AHCCCS	350,000	Automation (standardize electronic data exchanges)
Commerce	250,000	Military Base Study
Community Colleges	3,000,000	Law Enforcement/Fire training facility
Corrections	1,500,000	Carpool vans
Corrections	(2,238,600)	Delay Beds
ASDB	300,000	HVAC @ Tucson
ASDB	110,000	Assistive Technology
ADE (separate bill)	2,000,000	Teach America
ADE (separate bill)	3,000,000	E-Learning
ADE	2,500,000	Info Technology (Contracted)
ADE	600,000	Physical Education
DEMA	500,000	Project Challenge (Queen Creek building)
DEQ	200,000	Water quality permit contractors
DHS	3,000,000	Alzheimer's
DHS (separate bill)	7,100,000	Autism Research
Judiciary	63,500	Court of Appeals equipment
Judiciary (separate bill)	850,000	Integrated Family Courts
Land	1,500,000	Fire suppression
Legislative Council	5,000,000	Arizona Centennial
DPS	56,734,600	HURF shift
DPS	31,531,800	Highway Fund shift
DPS	9,474,100	Pay/Retirement Shifts
DOR	850,000	Small City Grants
Universities	1,200,000	U of A South
Veterans' Services (separate bill)	69,000	Pearl Harbor Memorial
DWR	1,700,000	Assured and Adequate Water Supply
DWR	500,000	Gila/Colorado River Adjudications
Weights and Measures	22,000	Laptops
Subtotal FY 2007 Operating Budget	132,166,400	

FY 2007 Capital Budget

Williams Gateway	1,105,000	
Veterans' Home	10,000,000	Separate Bill
Library and Archives	15,000,000	Already Enacted
ADOA	3,849,200	29% of Building Renewal formula
Corrections	5,200,000	Locks
ASDB	19,000,000	Phoenix and Tucson Buildings
DES	450,000	Navajo Senior Centers
Prescott Historical Society	400,000	Maintenance Facility
Tourism (separate bill)	4,000,000	Yuma Welcome Center
Universities	20,000,000	Fund 29% of Building Renewal formula
Universities - ASU Poly Tech Buildings	30,000,000	
DWR	1,500,000	Williams Dam Repair
DPS	1,500,000	Microwave Tower
Subtotal Capital Budget	112,004,200	

FY 2007 Fund Transfers

Commission for the Deaf	850,000
DWR	13,500,000
Subtotal FY 2007 Fund Transfers	14,350,000

FY 2007 Triggered Appropriations

K-12 Eliminate Rollover	191,000,000
Increase TPT June Estimated Threshold to \$1M	35,000,000
Subtotal Triggered Appropriations	226,000,000

SUMMARY OF ONGOING CHANGES

	<u>Proposal</u>
FY 2007 Ongoing Available From JLBC Baseline	\$368,090,800
<u>Revenues</u>	
New Ongoing Revenues - March JLBC	166,746,400
New Ongoing Revenues Exec - Leg Consensus	107,000,000
Tax Reductions	(250,000,000)
IRS Conformity	(1,400,000)
Health Insurance Premium Tax Credit	(5,000,000)
Corporate School Credit Cap	(5,000,000)
Solar Energy	(1,500,000)
Tax Exemption Liquid Natural Gas	(378,600)
Corp Commission LLC Filing Fees (separate bill)	(53,000)
Eliminate Pima County Probation Payment	(1,381,900)
GF Powerball @ \$31m (LTAF II forecast gain=\$6m)	(6,000,000)
County & State Fair Unclaimed Property Shift (separate bill)	(1,600,000)
<u>07 Feb. Appropriations Committee Expenditures Above JLBC</u>	
Border Security	20,000,000
State Employee Pay	130,241,800
All Other New Ongoing Expenditures	45,975,300
Subtotal Appropriations Committee	196,217,100
<u>07 Post Appropriations Comm Expenditures</u>	
AHCCCS Caseload Adjustment	(31,178,200)
AHCCCS Tobacco Settlement Adjustment	(13,748,000)
AHCCCS Tobacco Tax Adjustment	(2,700,000)
AHCCCS - Continue Kids Care Parents	10,300,000
AHCCCS - Long Term Care County Adjustments (separate bill)	1,742,000
AHCCCS - Temporary Medical Coverage (separate bill)	8,700,000
Attorney General - Immigration (separate bill)	2,000,000
Auditor General - Additional Salaries	1,400,000
Capital Postconviction Public Defender Office (separate bill)	220,000
Corrections - Additional Operating Expenses	9,900,000
Corrections - Bed Contract Increase	4,000,000
DOC/DJC - Additional Salaries	9,639,700
DOC/AOC - GPS Monitoring (separate bill)	1,500,000
DES - Vocational Rehabilitation 21% Match	2,234,200
DES - Added Domestic Violence \$ (total of \$2.8m)	1,818,800
DES - Elderly Services	4,000,000
DES - LTC Caseload	(1,371,700)
DES - Education and Training Vouchers (separate bill)	500,000
ADE - K-3 Weight (incl \$38m FDK base for \$143M)	105,000,000
ADE - Added Charter Assistance	3,000,000
ADE - TNT Revision	10,215,600
ADE - Private School Scholarships for Disabled (separate bill)	2,500,000
ADE - JTEDs	
ADE - 180 Day Transportation (separate bill)	5,500,000
ADE - Gifted Programs (separate bill)	2,000,000
ADE - Displaced Pupils Choice Grants (separate bill)	2,500,000
DEQ - Hazardous Waste Backfill	500,000
DEQ - Maricopa/Pima/Pinal Travel Reduction	1,676,900

State Bd of Equalization members (separate bill)	30,000
Geological Survey/Land Dept - Earth Fissures (separate bill)	313,200
DHS/ASH - Additional Salaries	3,100,000
DHS - Caseload Adjustment	(15,727,200)
DHS - Licensing Staffing	745,900
DHS - Non-Maricopa/Pima RTC Funding	1,600,000
DHS - Abstinence Funding	500,000
DHS - Mobile Dental Clinics	200,000
DHS - Women's Services	500,000
DHS - Osteoporosis (separate bill)	300,000
DHS - Kidney Programs (separate bill)	300,000
Judiciary - JCEF Backfill	2,000,000
Land Department - Trust Management Staff	1,329,100
Land Department - Eastern Arizona Counties	125,000
Methamphetamine (separate bill)	8,000,000
Ombudsman Citizen Aide -- Public Access Laws (separate bill)	185,000
Parks Board - Arizona Trail (separate bill)	100,000
Parks Board - Backfill of Park Fees	2,650,000
Parks Board - Backfill of SLIF	700,000
Postsecondary Comm - Revise Choice Grants to \$7.7M	(500,000)
Radiation Regulatory - Compliance Issues	255,400
Revenue - Restore Revenue Generating Positions	6,989,400
Universities - enrollment calculations	4,648,700
Universities - credit threshold	1,000,000
U of A - Teratogen Fund Shift	60,000
Veterans Benefit Counselors/Outreach	1,175,000
Veterans Cemeteries	304,200
DWR - Well Monitoring	500,000
Chapter 4 - Flores	1,800,000
Attorney General Cost Allocation	326,100
AZNet	6,194,600
Additional Revertments	(5,000,000)
State Employee Hlth Plan Difference (above \$25M)	3,000,000
Subtotal Post Appropriations Committee	169,553,700
Subtotal '07 Expenditures Above JLBC	365,770,800
Net New Ongoing Resources Available	\$3,752,900

SUMMARY OF ONE-TIME CHANGES

	<u>Proposal</u>
FY 2007 One-time Available From JLBC Baseline	\$482,355,600
<u>Revenues</u>	
New '06 Revenues - March JLBC	157,424,400
New '06 Revenues Exec - Leg Consensus	48,000,000
Increase TPT June Estimated Threshold to \$250k	(20,200,000)
Dispro Share Increase	16,162,900

Expenditures Above JLBC06 Expenditures

Employee Pay	39,854,000
BSF Increase	15,511,200
Additional Revertments	(5,000,000)
State Grand Jury Expenses	388,700
All Other FY 2006 Supplementals	21,430,900
Subtotal - FY 2006 Expenditures	72,184,800

07 Feb. Appropriation Committee Expenditures

DPS Hurf/Highway Fund Shift	88,266,400
All Other New One-time Expenditures	21,108,500
Capital	30,149,200

07 Post Appropriation Committee Expenditures

Highway Fund Deposit (plus \$100m from DPS shift)	245,000,000
Border Projects (separate bill) (above Feb. App. Comm.)	105,000,000
ADE Info Technology (Contracted)	2,500,000
ASDB - Assistive Technology	110,000
Commerce - Military Base Economic Impact Study	250,000
Commission for the Deaf	850,000
ASDB - Phoenix and Tucson Buildings	19,000,000
DES - Navajo Senior Centers	450,000
ADE - Teach America (separate bill)	2,000,000
ADE - E-Learning (separate bill)	3,000,000
ADE - Physical Education (separate bill)	600,000
DHS - Alzheimers Research	3,000,000
DHS - Autism Research (separate bill)	7,100,000
Judiciary - Integrated Family Court (separate bill)	850,000
Land - Due Diligence Revolving Fund	500,000
Pearl Harbor Memorial (separate bill)	69,000
Prescott Historical Society	400,000
DPS Pay/Retirement Shifts	9,474,100
DPS - Microwave Tower	1,500,000
DOR - Small City Grants	850,000
UA - South	1,200,000
ASU Polytechnic Buildings (plus \$73 M Lease Purchase)	30,000,000
Legislative Council - Arizona Centennial	5,000,000
Ladewig	(4,399,900)
Kerr Lawsuit	15,000,000
Trauma Center (\$2 M Tobacco Tax) (separate bill)	--
Williams Dam Repair (total of \$1.5m)	400,000
Williams Gateway Improvements	1,105,000
Yuma Welcome Center (separate bill)	4,000,000
21st Century Fund (\$15 M) - Other Funds (separate bill)	--
Southern Arizona Veterans Home (separate bill)	10,000,000
Subtotal - FY 2007 Expenditures	604,332,300
New One-time Expenditures	676,517,100
Net One-time Resources Available	\$7,225,800
Net Available Resources	\$10,978,700

FY 2007 GENERAL FUND SUMMARY BY AGENCY

	FY 2006 Estimate	1/ May 16 Proposal	May 16 Proposal - FY 2006
BUDGET UNITS 1/			
Administration, AZ Department of	\$24,761,500	\$25,675,600	\$914,100
Administrative Hearings, Office of	1,137,200	1,104,200 *	(33,000)
Agriculture, AZ Department of	10,561,600	10,224,300 *	(337,300)
AHCCCS	1,035,090,900	1,180,616,200	145,525,300
Arts, Arizona Commission on the	3,837,100	3,818,200 *	(18,900)
Attorney General - Department of Law	25,037,500	18,496,500	(6,541,000)
Charter Schools, State Board for	734,100	712,700 *	(21,400)
Commerce, Department of	11,450,100	11,700,100	250,000
Community Colleges, Arizona	154,075,700	164,536,600	10,460,900
Corporation Commission	5,133,000	5,133,000	0
Corrections, State Department of	697,612,400	767,815,800	70,203,400
Criminal Justice Commission, Arizona	1,302,000	1,302,000 *	0
Deaf and the Blind, Schools for the	16,173,300	18,424,700	2,251,400
Economic Security, Department of	630,214,300	683,259,600	53,045,300
Education, Department of	3,342,529,300	3,711,261,300	368,732,000
Emergency & Military Affairs, Dept of	13,839,000	13,858,300	19,300
Environmental Quality, Department of	24,347,000	30,723,900	6,376,900
Equal Opportunity, Governor's Office of	227,200	220,900 *	(6,300)
Equalization, State Board of	584,500	614,500	30,000
Executive Clemency, Board of	985,300	956,700 *	(28,600)
Financial Institutions, State Department of	3,264,400	3,425,100	160,700
Fire, Building and Life Safety, Department of	3,373,500	3,278,400 *	(95,100)
Geological Survey, Arizona	815,700	796,700 *	(19,000)
Government Information Tech. Agency	0	0 *	0
Governor, Office of the	6,288,600	6,288,600	0
Gov's Ofc of Strategic Planning & Budgeting	2,075,400	2,075,400	0
Health Services, Department of	476,823,200	528,533,400	51,710,200
Historical Society, Arizona	4,063,200	3,979,500 *	(83,700)
Historical Society, Prescott	664,200	639,100 *	(25,100)
Indian Affairs, AZ Commission of	210,000	205,100 *	(4,900)
Insurance, Department of	6,561,400	6,347,700 *	(213,700)
Judiciary			
Supreme Court	12,650,000	18,133,800	5,483,800
Court of Appeals	12,099,500	12,787,300	687,800
Superior Court	92,791,700	94,727,600	1,935,900
SUBTOTAL - Judiciary	117,541,200	125,648,700	8,107,500
Juvenile Corrections, Department of	69,801,300	73,504,300	3,703,000
Land Department, State	22,821,700	25,326,900	2,505,200
Law Enforcement Merit System Council	71,500	66,600 *	(4,900)
Legislature			
Auditor General	12,949,300	14,349,300	1,400,000
House of Representatives	12,399,900	12,399,900	0
Joint Legislative Budget Committee	2,775,000	2,775,000	0
Legislative Council	5,144,300	10,329,300	5,185,000
Library, Archives & Public Records, AZ State	7,058,100	7,058,100	0
Senate	8,109,800	8,109,800	0
SUBTOTAL - Legislature	48,436,400	55,021,400	6,585,000
Liquor Licenses & Control, Department of	4,134,500	4,063,700 *	(70,800)
Medical Student Loans, Board of	1,500,000	1,500,000	0
Mine Inspector, State	1,148,100	1,116,200 *	(31,900)
Mines & Mineral Resources, Department of	807,500	794,800 *	(12,700)
Navigable Stream Adjudication Commission	164,800	164,800	0
Nursing, State Board of	162,700	161,400 *	(1,300)
Occupational Safety & Health Review Board	0	0	0
Parks Board, Arizona State	22,447,600	25,830,500 **	3,382,900
Personnel Board	343,800	338,300 *	(5,500)
Pioneers' Home, AZ	0	800,100 **	800,100
Postsecondary Education, Commission for	1,391,700	9,320,800	7,929,100
Public Safety, Department of	44,582,100	159,989,400	115,407,300
Racing, Arizona Department of	2,568,800	2,499,500 *	(69,300)
Radiation Regulatory Agency	1,661,300	1,881,200 **	219,900
Rangers' Pensions, Arizona	12,800	13,000 *	200

	FY 2006 Estimate	1/ May 16 Proposal	May 16 Proposal - FY 2006
Real Estate Department, State	3,658,300	3,529,500 *	(128,800)
Revenue, Department of	64,582,800	65,432,800	850,000
School Facilities Board	392,586,200	413,663,100	21,076,900
Secretary of State	3,072,200	6,860,100	3,787,900
Tax Appeals, State Board of	285,800	277,900 *	(7,900)
Tourism, Office of	13,203,500	14,986,000	1,782,500
Transportation, Department of	74,700	74,700	0
Treasurer, State	5,391,900	5,565,400	173,500
Uniform State Laws, Commission on	52,300	52,300 *	0
Universities			
Arizona State University - Main Campus	300,964,900	314,206,400	13,241,500
Arizona State University - East Campus	15,394,700	18,088,600	2,693,900
Arizona State University - West Campus	44,032,000	45,419,900	1,387,900
Northern Arizona University	122,336,800	122,150,800	(186,000)
Board of Regents	9,105,200	9,776,800	671,600
University of Arizona - Main Campus	288,100,100	289,131,300	1,031,200
University of Arizona - Health Sciences Center	63,208,600	64,210,400	1,001,800
SUBTOTAL - Universities	843,142,300	862,984,200	19,841,900
Veterans' Services, Department of	2,336,300	3,807,200 **	1,470,900
Water Resources, Department of	18,796,600	19,796,600	1,000,000
Weights and Measures, Department of	1,573,400	1,531,400	(42,000)
Unallocated FY 06 Employee Pay	126,800	0	(126,800)
State Employee Pay	39,854,000	130,241,800 *	90,387,800
State Employer Health Insurance	0	28,695,900	28,695,900
State Employer Retirement	0	27,635,500	27,635,500
Biennial Annualizations	0	1,500,000	1,500,000
AZNet	0	5,300,600	5,300,600
Attorney General Cost Allocation	0	4,595,700	4,595,700
OPERATING BUDGET TOTAL	8,232,107,500	9,290,596,400	1,058,488,900
 FY 2006 Supplementals	 50,933,900	 0	 (50,933,900)
Ladewig Litigation	58,300,000	94,800,100	36,500,100
Kerr Litigation	0	15,000,000	15,000,000
Flores Set-Aside	2,555,000	31,410,000 *	28,855,000
Border Projects	0	107,000,000	107,000,000
Budget Stabilization Deposits	455,283,300	9,808,600	(445,474,700)
Comm. for the Deaf Fund Deposit	0	850,000	850,000
Highway Fund Deposit	0	245,000,000	245,000,000
Water Banking Deposit - Indian Firming	0	13,500,000	13,500,000
Methamphetamine Bill	0	8,000,000	8,000,000
Earth Fissures Bill	0	313,200	313,200
Capital Case Litigation Bill	0	220,000	220,000
Capital	17,150,000	112,004,200	94,854,200
Maximize Federal Funds	(15,000,000)	(5,000,000)	10,000,000
Administrative Adjustments	57,000,000	48,000,000	(9,000,000)
Reversions	(100,169,300)	(101,169,300)	(1,000,000)
 GRAND TOTAL	 \$8,758,160,400	 \$9,870,333,200	 \$1,112,172,800

1/ Does not include proposed supplementals in individual agencies.

* Already enacted.

** Already enacted plus proposed supplemental.

FY 2007 OTHER APPROPRIATED FUNDS SUMMARY BY AGENCY

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
BUDGET UNITS 1/			
Accountancy, State Board of			
Board of Accountancy Fund	\$2,201,200	\$2,154,600 *	(\$46,600)
Acupuncture Board of Examiners			
Acupuncture Board of Examiners Fund	100,600	97,600 *	(3,000)
Administration, AZ Department of			
Air Quality Fund	574,100	575,100	1,000
Automation Operations Fund	23,710,900	23,467,900	(243,000)
Capital Outlay Stabilization Fund	11,026,500	11,029,200	2,700
Corrections Fund	667,300	669,700	2,400
Motor Vehicle Pool Revolving Fund	11,655,100	11,655,100	0
Personnel Division Fund	15,034,000	16,282,900	1,248,900
Risk Management Revolving Fund	83,649,300	88,086,000	4,436,700
Special Employee Health Insurance			
Trust Fund	4,920,300	4,924,100	3,800
State Surplus Materials Revolving Fund and			
Federal Surplus Materials Revolving Fund	4,555,800	4,555,800	0
Telecommunications Fund	2,169,000	2,896,000	727,000
Watercraft Licensing Fund	800,000	796,000	(4,000)
Total - AZ Department of Administration	158,762,300	164,937,800	6,175,500
Administrative Hearings, Office of			
AHCCCS Donations Fund	14,100	13,900 *	(200)
Registrar of Contractors Fund	0	0 **	0
Total - Office of Administrative Hearings	14,100	13,900 **	(200)
Agriculture, AZ Department of			
Aquaculture Fund	9,200	9,200 *	0
Egg Inspection Fund	670,700	646,200 *	(24,500)
Citrus, Fruit and Vegetable Revolving Fund	955,700	920,700 *	(35,000)
Commercial Feed Fund	276,900	270,200 *	(6,700)
Fertilizer Materials Fund	275,000	267,300 *	(7,700)
Livestock Custody Fund	79,400	79,400 *	0
Pesticide Fund	256,000	247,000 *	(9,000)
Agricultural Consulting and Training Fund	66,800	64,500 *	(2,300)
Dangerous Plants, Pests and Diseases Fund	21,400	21,400 *	0
Arizona Protected Native Plant Fund	168,400	162,100 *	(6,300)
Seed Law Fund	50,900	49,800 *	(1,100)
Total - AZ Department of Agriculture	2,830,400	2,737,800	(92,600)
AHCCCS			
Budget Neutrality Compliance Fund	2,395,400	2,531,900	136,500
Children's Health Insurance Program Fund	102,779,200	121,750,800	18,971,600
Healthcare Group Fund	3,602,000	3,602,000	0
Tobacco Products Tax Fund			
Emergency Health Services Account	27,922,900	29,371,200	1,448,300
Tobacco Tax and Health Care Fund			
Medically Needy Account	79,128,800	83,162,500	4,033,700
Total - AHCCCS	215,828,300	240,418,400	24,590,100
Appraisal, State Board of			
Board of Appraisal Fund	620,200	536,300 *	(83,900)
Attorney General - Department of Law			
Antitrust Enforcement Revolving Fund	208,200	208,200	0
Attorney Gen'l Legal Svcs Cost Allocation Fund	0	6,041,000	6,041,000
Collection Enforcement Revolving Fund	4,281,500	4,281,500	0
Consumer Fraud Revolving Fund	2,699,900	2,699,900	0
Interagency Service Agreements Fund	11,282,100	11,282,100	0
Risk Management Revolving Fund	8,621,500	8,621,500	0
Victims' Rights Fund	3,228,300	3,228,300	0
Total - Attorney General - Department of Law	30,321,500	36,362,500	6,041,000
Automobile Theft Authority			
Auto Theft Authority Fund	4,982,300	4,848,100 *	(134,200)
Barbers, Board of			
Board of Barbers Fund	238,200	274,600 **	36,400
Behavioral Health Examiners, Board of			
Board of Behavioral Health Examiners Fund	1,402,600	1,259,800 *	(142,800)
Chiropractic Examiners, State Board of			
Board of Chiropractic Examiners Fund	477,600	462,700 *	(14,900)
Commerce, Department of			

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
Bond Fund	131,100	131,100	0
CEDC Fund	2,970,200	2,970,200	0
Oil Overcharge Fund	164,800	164,800	0
State Lottery Fund	257,000	257,000	0
Total - Department of Commerce	3,523,100	3,523,100	0
Contractors, Registrar of			
Registrar of Contractors Fund	9,890,600	9,631,300 **	(259,300)
Corporation Commission			
Arizona Arts Trust Fund	44,100	44,100	0
Investment Management Regulatory and Enforcement Fund	828,200	828,200	0
Pipeline Safety Revolving Fund	0	0	0
Public Access Fund	3,623,200	3,673,000	49,800
Securities Regulatory and Enforcement Fund	3,505,500	3,505,500	0
Utility Regulation Revolving Fund	12,078,200	12,377,300	299,100
Total - Corporation Commission	20,079,200	20,428,100	348,900
Corrections, State Department of			
Alcohol Abuse Treatment Fund	599,300	599,300	0
Corrections Fund	29,024,300	29,024,300	0
Penitentiary Land Fund	869,200	869,200	0
Prison Construction and Operations Fund	10,250,000	10,250,000	0
State Charitable, Penal and Reformatory Institutions Land Fund	2,070,000	570,000	(1,500,000)
State Education Fund for Correctional Education	1,528,900	1,528,900	0
Transition Office Fund	351,400	180,000	(171,400)
Transition Program Drug Treatment Fund	500,000	600,000	100,000
Total - State Department of Corrections	45,193,100	43,621,700	(1,571,400)
Cosmetology, Board of			
Board of Cosmetology Fund	1,613,200	1,510,000 *	(103,200)
Criminal Justice Commission, Arizona			
Criminal Justice Enhancement Fund	593,600	552,200 *	(41,400)
Victim Compensation and Assistance Fund	3,900,000	3,400,000 *	(500,000)
State Aid to County Attorneys Fund	847,800	877,500 *	29,700
State Aid to Indigent Defense Fund	805,000	833,200 *	28,200
Total - Arizona Criminal Justice Commission	6,146,400	5,662,900 *	(483,500)
Deaf and the Blind, AZ Schools for the			
Schools for the Deaf and the Blind Fund	13,816,900	13,816,900	0
Telecommunications Excise Tax Fund	991,400	0	(991,400)
Total - AZ Schools for the Deaf and the Blind	14,808,300	13,816,900	(991,400)
Deaf and the Hard of Hearing, Comm. for the			
Telecommunication Fund for the Deaf	5,315,400	5,279,700 *	(35,700)
Dental Examiners, State Board of			
Board of Dental Examiners Fund	1,042,000	947,200 *	(94,800)
Drug & Gang Prevention Resource Center			
Drug and Gang Prevention Resource Center Fund	274,800	266,600 *	(8,200)
Intergovernmental Agreements and Grants	297,200	280,000 *	(17,200)
Total - Drug & Gang Prevention Resource Center	572,000	546,600 *	(25,400)
Economic Security, Department of			
Child Abuse Prevention Fund	1,569,700	1,569,700	0
Child Support Enforcement Administration Fund	13,197,800	13,197,800	0
Children and Family Services Training Program Fund	209,600	209,600	0
Domestic Violence Shelter Fund	1,700,000	1,700,000	0
Federal Child Care and Development Fund			
Block Grant	116,188,100	116,188,100	0
Federal Reed Act Grant	0	0	0
Federal Temporary Assistance for Needy Families Block Grant	246,471,100	229,217,400	(17,253,700)
Long Term Care System Fund	24,431,900	21,887,600	(2,544,300)
Public Assistance Collections Fund	473,000	473,000	0
Risk Management Fund	271,500	271,500	0
Special Administration Fund	2,158,500	2,158,500	0
Spinal and Head Injuries Trust Fund	2,508,300	2,508,300	0
Statewide Cost Allocation Plan Fund	1,000,000	1,000,000	0
Tobacco Tax and Health Care Fund			
Medically Needy Account	0	200,000	200,000

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
Utility Assistance Fund	500,000	500,000	0
Workforce Investment Act Grant	55,706,300	55,706,300	0
Total - Department of Economic Security	466,385,800	446,787,800	(19,598,000)
Education, Department of			
Permanent State School Fund	43,223,000	45,220,700	1,997,700
Proposition 301 Fund	7,000,000	7,000,000	0
SFB School Improvement Revenue Bond Debt Service Fund	0	2,183,400	2,183,400
Teacher Certification Fund	1,991,600	1,991,600	0
Total - Department of Education	52,214,600	56,395,700	4,181,100
Emergency & Military Affairs, Dept of			
Emergency Response Fund	132,700	132,700	0
Environmental Quality, Department of			
Air Permits Administration Fund	5,502,000	5,502,000	0
Air Quality - Clean Air Subaccount	500,000	0	(500,000)
Air Quality Fund	8,802,600	4,802,600	(4,000,000)
Emissions Inspection Fund	35,752,100	35,752,100	0
Hazardous Waste Management Fund	746,100	746,100	0
Indirect Cost Recovery Fund	12,120,400	9,969,400	(2,151,000)
Recycling Fund	2,138,800	2,138,800	0
Solid Waste Fee Fund	1,411,800	1,411,800	0
Underground Storage Tank Fund	22,000	22,000	0
Used Oil Fund	136,600	136,600	0
Water Quality Fee Fund	3,853,200	4,053,200	200,000
Total - Department of Environmental Quality	70,985,600	64,534,600	(6,451,000)
Exposition and State Fair Board, AZ			
Arizona Exposition and State Fair Fund	15,352,300	15,123,900 *	(228,400)
Funeral Directors and Embalmers, Board of			
Board of Funeral Directors & Embalmers Fund	313,700	304,900 *	(8,800)
Game and Fish Department, AZ			
Game and Fish Fund	24,597,900	24,409,300 **	(188,600)
Waterfowl Conservation Fund	43,400	43,400 *	0
Wildlife Endowment Fund	16,000	16,000 *	0
Watercraft Licensing Fund	2,248,300	2,983,200 **	734,900
Game, Nongame, Fish and Endangered Species Fund	309,500	300,200 *	(9,300)
Total - AZ Game and Fish Department	27,215,100	27,752,100 **	537,000
Gaming, Department of			
Tribal State Compact Fund	1,896,000	1,810,500 *	(85,500)
State Lottery Fund	300,000	300,000 *	0
Arizona Benefits Fund	9,512,800	9,512,800 *	0
Total - Department of Gaming	11,708,800	11,623,300 *	(85,500)
Government Information Tech. Agency			
Information Technology Fund	2,609,900	2,539,200 *	(70,700)
Health Services, Department of			
Arizona Medical Board Fund	100,000	0	(100,000)
Arizona State Hospital Fund	11,164,600	7,964,600	(3,200,000)
ASH Land Earnings Fund	350,000	350,000	0
Capital Outlay Stabilization Fund	1,576,100	1,576,100	0
Child Fatality Review Fund	100,000	100,000	0
Emergency Medical Services Operating Fund	5,015,900	5,015,900	0
Environmental Laboratory Licensure Revolving Fund	883,200	883,200	0
Federal Child Care and Development Fund			
Block Grant	750,100	750,100	0
Hearing and Speech Professionals Fund	302,300	302,300	0
Indirect Cost Fund	7,299,400	7,299,400	0
Newborn Screening Program Fund	3,719,300	5,958,700	2,239,400
Nursing Care Institution Resident Protection Fund	38,000	166,500	128,500
Poison Control Fund	2,200,000	0	(2,200,000)
Substance Abuse Services Fund	2,500,000	2,500,000	0
Tobacco Tax and Health Care Fund			
Health Research Account	6,500,000	6,500,000	0
Tobacco Tax and Health Care Fund			
Medically Needy Account	33,824,800	34,924,800	1,100,000
Vital Records Electronic System Fund	0	500,000	500,000
Total - Department of Health Services	76,323,700	74,791,600	(1,532,100)
Historical Society, Arizona			

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
Capital Outlay Stabilization Fund	193,700	193,700 *	0
Homeopathic Medical Examiners, Board of			
Bd of Homeopathic Medical Examiners Fund	80,900	78,300 *	(2,600)
Housing, Department of			
Housing Trust Fund	686,800	654,200 *	(32,600)
Industrial Commission of AZ			
Industrial Commission Administrative Fund	17,739,900	17,204,000 *	(535,900)
Insurance, Department of			
Captive Insurance Regulatory & Supervision Fund	25,000	25,000 *	0
Judiciary - Supreme Court			
Confidential Intermediary and Fiduciary Fund	487,000	436,600	(50,400)
Court Appointed Special Advocate Fund	4,000,900	3,423,900	(577,000)
Criminal Justice Enhancement Fund	3,097,000	3,053,800	(43,200)
Defensive Driving School Fund	5,753,500	5,344,700	(408,800)
Judicial Collection Enhancement Fund	14,783,100	12,001,700	(2,781,400)
State Aid to the Courts Fund	2,445,100	2,442,200	(2,900)
Total - Supreme Court	30,566,600	26,702,900	(3,863,700)
Judiciary - Superior Court			
Criminal Justice Enhancement Fund	6,995,700	6,995,700	0
Judicial Collection Enhancement Fund	0	2,723,800	2,723,800
Drug Treatment and Education Fund	500,000	500,000	0
Total - Superior Court	7,495,700	10,219,500	2,723,800
SUBTOTAL - Judiciary	38,062,300	36,922,400	(1,139,900)
Juvenile Corrections, Department of			
ADOA Risk Management Fund	0	340,000	340,000
Criminal Justice Enhancement Fund	585,300	685,300	100,000
State Charitable, Penal and Reformatory			
Institutions Land Fund	3,360,000	1,094,900	(2,265,100)
State Education Fund for Committed Youth	2,301,500	2,638,300	336,800
Total - Department of Juvenile Corrections	6,246,800	4,758,500	(1,488,300)
Land Department, State			
Environmental Special Plate Fund	266,100	220,000	(46,100)
ADOA Risk Management Fund	319,600	230,600	(89,000)
Total - State Land Department	585,700	450,600	(135,100)
Legislature			
Library, Archives & Public Records, AZ State			
Records Services Fund	626,700	626,700	0
Total - Legislature	626,700	626,700	0
Lottery Commission, AZ State			
State Lottery Fund	60,154,200	59,779,500 *	(374,700)
Medical Board, Arizona			
Arizona Medical Board Fund	5,324,300	5,169,600 *	(154,700)
Medical Student Loans, Board of			
Arizona Medical Board Fund	283,400	0	(283,400)
Medical Student Loan Fund	13,200	309,800	296,600
Total - Board of Medical Student Loans	296,600	309,800	13,200
Mine Inspector, State			
Aggregate Mining Reclamation Fund	195,000	0 *	(195,000)
Naturopathic Physician Examiners Board			
Naturopathic Physicians Board of Medical			
Examiners Fund	508,500	453,900 *	(54,600)
Nursing, State Board of			
Board of Nursing Fund	3,132,800	3,049,900 *	(82,900)
Nursing Care Institution Administrators Board			
Nursing Care Institution Administrators'			
Licensing & Assisted Living Facility			
Managers' Certification Fund	383,500	372,700 *	(10,800)
Occupational Therapy Examiners, Board of			
Occupational Therapy Fund	224,200	217,900 *	(6,300)
Opticians, State Board of Dispensing			
Board of Dispensing Opticians Fund	96,900	102,700	5,800
Optometry, State Board of			
Board of Optometry Fund	196,100	177,600 *	(18,500)
Osteopathic Examiners, AZ Board of			
Board of Osteopathic Examiners Fund	664,400	602,000 *	(62,400)
Parks Board, Arizona State			
State Parks Enhancement Fund	10,868,600	7,855,800 **	(3,012,800)
Law Enforcement and Boating Safety Fund	1,092,700	1,092,700 *	0
Reservation Surcharge Fund	480,800	460,300 *	(20,500)

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
Total - Arizona State Parks Board	12,442,100	9,408,800 *	(3,033,300)
Pharmacy, AZ State Board of			
Board of Pharmacy Fund	1,525,700	1,414,100 *	(111,600)
Physical Therapy Examiners, Board of			
Board of Physical Therapy Fund	277,200	268,400 *	(8,800)
Pioneers' Home, AZ			
Miners' Hospital Fund	1,515,200	1,468,900 *	(46,300)
State Charitable Fund	4,353,900	3,422,300 **	(931,600)
Total - AZ Pioneers' Home	5,869,100	4,891,200 **	(977,900)
Podiatry Examiners, State Board of			
Podiatry Fund	114,800	110,900 *	(3,900)
Postsecondary Education, Commission for			
Postsecondary Education Fund	2,878,100	2,898,800	20,700
Private Postsecondary Education, Board for			
Board for Private Postsecondary Education Fund	290,400	289,500 *	(900)
Psychologist Examiners, State Board of			
Board of Psychologist Examiners Fund	356,300	351,700 *	(4,600)
Public Safety, Department of			
Arizona Deoxyribonucleic Acid Identification Fund	2,582,900	2,582,900	0
Arizona Highway Patrol Fund	19,817,600	19,745,700	(71,900)
Automated Fingerprint Identification Fund	2,449,400	3,257,200	807,800
Crime Laboratory Assessment Fund	4,473,100	4,974,100	501,000
Criminal Justice Enhancement Fund	2,600,100	2,980,100	380,000
Highway User Revenue Fund	63,189,100	10,000,000	(53,189,100)
Motorcycle Safety Fund	205,000	205,000	0
Parity Compensation Fund	0	2,768,100	2,768,100
Risk Management Fund	296,200	296,200	0
Safety Enforcement and Transportation Infrastructure Fund	1,352,100	1,352,100	0
Sex Offender Monitoring Fund	355,500	0	(355,500)
State Highway Fund	41,701,500	10,000,000	(31,701,500)
Total - Department of Public Safety	139,022,500	58,161,400	(80,861,100)
Racing, Arizona Department of			
County Fair Racing Fund	300,000	300,000 *	0
Racing Administration Fund	45,000	45,000 *	0
Total - Arizona Department of Racing	345,000	345,000 *	0
Radiation Regulatory Agency			
State Radiologic Technologist Certification Fund	254,900	247,300 *	(7,600)
Residential Utility Consumer Office			
Residential Utility Consumer Office Revolving Fund	1,206,200	1,175,100 *	(31,100)
Respiratory Care Examiners, Board of			
Board of Respiratory Care Examiners' Fund	194,500	189,000 *	(5,500)
Retirement System, Arizona State			
Long-Term Disability Administration Account	2,897,700	2,897,700	0
State Retirement System Administration Account	20,029,200	16,892,100	(3,137,100)
Total - Arizona State Retirement System	22,926,900	19,789,800	(3,137,100)
Revenue, Department of			
Tobacco Tax and Health Care Fund	469,800	469,800	0
Estate and Unclaimed Property Fund	1,526,000	3,379,000	1,853,000
Liability Setoff Fund	393,500	393,500	0
Total - Department of Revenue	2,389,300	4,242,300	1,853,000
Secretary of State			
Election Systems Improvement Fund	40,000,000	20,000,000	(20,000,000)
Professional Employer Organization Fund	0	162,400	162,400
Total - Secretary of State	40,000,000	20,162,400	(19,837,600)
State Boards' Office			
Special Services Revolving Fund	177,300	172,100 *	(5,200)
Structural Pest Control Commission			
Structural Pest Control Commission Fund	1,991,300	1,925,700 *	(65,600)
Technical Registration, State Board of			
Technical Registration Fund	1,432,600	1,387,700 *	(44,900)
Transportation, Department of			
Air Quality Fund	61,500	61,500	0
Driving Under the Influence Abatement Fund	442,000	131,500	(310,500)

	FY 2006 Estimate	May 16 Proposal	May 16 Proposal - FY 2006
Highway User Revenue Fund	633,300	588,000	(45,300)
Motor Vehicle Liability Insurance Enforcement Fund	1,952,700	1,577,800	(374,900)
Safety Enforcement and Transportation Infrastructure Fund	2,143,500	2,743,500	600,000
State Aviation Fund	2,029,800	2,029,800	0
State Highway Fund	364,661,800	367,828,400	3,166,600
Transportation Department Equipment Fund	35,618,500	37,277,200	1,658,700
Vehicle Inspection & Title Enforcement Fund	1,468,600	1,437,000	(31,600)
Total - Department of Transportation	409,011,700	413,674,700	4,663,000
Universities			
Arizona State University - Main Campus			
University Collections Fund	196,172,700	204,742,800	8,570,100
Tobacco Tax and Health Care Fund			
Medically Needy Account	0	0	0
Total - Arizona State University - Main Campus	196,172,700	204,742,800	8,570,100
Arizona State University - East Campus			
University Collections Fund	12,961,400	14,620,400	1,659,000
Technology and Research Initiative Fund	2,000,000	2,000,000	0
Total - Arizona State University - East Campus	14,961,400	16,620,400	1,659,000
Arizona State University - West Campus			
University Collections Fund	18,447,300	19,337,600	890,300
Technology and Research Initiative Fund	1,600,000	1,600,000	0
Total - Arizona State University - West Campus	20,047,300	20,937,600	890,300
Northern Arizona University			
University Collections Fund	39,544,000	39,544,000	0
University of Arizona - Main Campus			
University Collections Fund	108,131,300	108,378,100	246,800
University of Arizona - Health Sciences Center			
University Collections Fund	14,903,400	15,513,600	610,200
SUBTOTAL - Universities	393,760,100	405,736,500	11,976,400
Veterans' Services, Department of			
State Veterans' Conservatorship Fund	677,500	634,900 *	(42,600)
State Home for Veterans' Trust Fund	12,213,300	11,834,600 *	(378,700)
Total - Department of Veterans' Services	12,890,800	12,469,500 *	(421,300)
Veterinary Medical Examining Board			
Veterinary Medical Examining Board Fund	415,900	401,600 *	(14,300)
Water Resources, Department of			
Assured and Adequate Water Supply Admin Fund	0	1,100,000	1,100,000
Dam Repair Fund	0	0	0
Total - Department of Water Resources	0	1,100,000	1,100,000
Weights and Measures, Department of			
Air Quality Fund	1,324,300	1,369,400	45,100
Motor Vehicle Liability Insurance Enf. Fund	67,100	106,700	39,600
Total - Department of Weights and Measures	1,391,400	1,476,100	84,700
Unallocated FY 06 Employee Pay	2,448,100	0	(2,448,100)
Unallocated FY 06 Employer Retirement	1,357,700	0	(1,357,700)
State Employee Pay	11,884,300	38,837,200	26,952,900
State Employer Health Insurance	0	10,631,700	10,631,700
State Employer Retirement	0	9,290,300	9,290,300
AZNet	0	4,030,500	4,030,500
Attorney Gen'l Legal Svcs Cost Allocation	0	806,900	806,900
Biennial Annualizations	0	4,900,000	4,900,000
Biennial Annualizations - Federal	0	0	0
Supplementals	7,282,400	0	(7,282,400)
OPERATING BUDGET TOTAL	\$2,458,765,700	\$2,420,992,600	(\$37,773,100)
 GRAND TOTAL	 \$2,458,765,700	 \$2,420,992,600	 (\$37,773,100)
Capital	236,718,100	330,681,700	93,963,600
TOTAL APPROPRIATED	\$2,695,483,800	\$2,751,674,300	\$56,190,500

1/ Does not include proposed supplementals in individual agencies.

* Already enacted.

** Already enacted plus proposed supplemental.

**Supplemental Bill
HB2864/SB1564**

	<u>Section</u>
Department of Administration	5
• Deposit of \$10,000,000 into the Health Insurance Trust Fund for health and dental insurance premiums.	
AHCCCS	9
• Increase of \$16,162,900 in disproportionate share payments to Maricopa County	
• Increase of \$16,162,900 in withholding from state transaction privilege tax revenues from Maricopa County	
Department of Corrections	4
• Increase of \$6,427,800 GF for overtime and compensatory time payments	
• Increase of \$3,472,200 GF for health-related expenditures and All Other Operating Expenditures	
• Caps the department's health and dental insurance contribution at \$64,205,600 in FY 2006 rather than \$74,205,600. Allocates the \$10,000,000 savings for health-related expenditures and All Other Operating Expenditures.	
Department of Education	
• Net increase of \$16,195,400 GF for the following adjustments:	1
o \$17,426,500 for Basic State Aid	
o \$1,402,200 for Achievement Testing	
o \$711,600 for Supplemental State Aid	
o \$582,100 for Certificates of Educational Convenience	
o \$(3,807,000) for decreased Additional State Aid to Schools costs	
o \$(120,000) for decreased Optional Performance Incentive Program costs	
• Increase of \$7,497,400 from Permanent State School Fund for Basic State Aid. Monies available from prior-year balances and current-year resources.	1
• Require department to also compute 160-day average daily membership (ADM) counts and report those to the JLBC Director by February 1, 2007. Existing session law already requires 140-day report in addition to the permanent law 100-day report. Neither the 140- or 160-day ADM count shall be used for basic state aid formula funding purposes.	10
State Board of Equalization	7
• Increase of \$323,200 GF for designing and programming a new computer system. Appropriation exempt from lapsing through June 30, 2007.	
Department of Health Services	2
• Net increase of \$6,740,200 GF and \$7,600,000 in federal expenditure authority along with \$(350,000) OF decrease for the following adjustments:	
o \$3,715,200 GF for Medicare Clawback payments	
o Shift of \$350,000 from Poison Control Fund to GF for poison control centers	
o \$175,000 GF for State Health Lab operating costs	
o \$2,500,000 GF and \$7,600,000 expenditure authority for Behavioral Health	
Judiciary	8
• Increase of \$388,700 GF for Supreme Court County Reimbursements: \$144,500 for outstanding FY 05 invoices, \$132,200 for state grand jury expenses, and \$112,000 for post-conviction relief expenses.	
Arizona State Retirement System	6
• Extend lapsing date of FY 2004, FY 2005, and FY 2006 Information Technology Plan appropriations to June 30, 2007.	

Department of Revenue

3

- Increase of \$135,000 from Estate and Unclaimed Property Fund for unclaimed property printing and advertising costs
- Increase of \$975,000 GF for *Kerr* lawsuit administration. Prior to expenditure of these monies, JLBC is to review expenditure plan including estimate and scope of entire administrative requirement

FY 2006 SUPPLEMENTALS

	FY 2006
	Proposal
General Fund	
ADOA - Health Insurance Trust Fund	10,000,000
ADOA - Named Claimants (separate bill)	211,400
State Department of Corrections	9,900,000
Arizona Department of Education	16,195,400
State Board of Equalization	323,200
Department of Health Services	6,740,200
Supreme Court	388,700
State Land Department (separate bill)	6,200,000
Department of Revenue	975,000
General Fund - Total	\$50,933,900
Other Funds	
Arizona Department of Education	7,497,400
Department of Health Services	(350,000)
Department of Revenue	135,000
Department of Transportation	0
Other Funds - Total	\$7,282,400

**Budget Procedures BRB
HB2864/SB1564**

Section

Government Information Technology Agency

Web Portal

- As permanent law, establish State Web Portal Fund subject to legislative appropriation. Fund revenues come from fees paid by web portal (e.g., ServiceArizona) users after third-party administrative costs have been deducted. 2
- As session law, appropriate all FY 2007 receipts to the State Web Portal Fund to the Agency and require JLBC review prior to expenditure of monies from the fund in FY 2007. 5
- As session law, require GITA, after executing but before implementing any new web portal contract in FY 2007, to submit the fiscal provisions of the contract to JLBC for its review. 5

Department of Revenue

Business Reengineering/Integrated Tax System (BRITS)

- As session law, require legislative authorization prior to executing any future BRITS contract extensions or modifications that increase the contractor's share of gain-sharing proceeds from state revenues. 3

Other

Program Budgeting

- As session law, require OSPB to submit proposed program budgeting structures for AHCCCS, DES, DHS, Department of Housing and Universities to JLBC Staff by October 1, 2006. These are the remaining agencies that have not yet been converted to a program budget structure as required by Laws 1997, Chapter 210. 4

Strategic Planning 5-Year Plans

- As permanent law, require agencies which are required to develop a 5-year strategic plan also provide an executive summary of the plan not to exceed 5 pages in length. 1

Case Settlements BRB
HB2867/SB1567

	<u>Section</u>
Department of Revenue	
<i>Ladewig v. State Settlement</i>	
• As session law, allocate \$94.8 million from the General Fund for the Ladewig v. State of Arizona settlement and allow \$1 million to be used for administrative costs in FY 2007 subsequent to JLBC review.	1
• As session law, revert any unused settlement related monies from FY 2006 and FY 2007 to the General Fund.	1
• As session law, revert any settlement related unclaimed refunds in FY 2007 to the General Fund.	2
<i>Kerr v. State Settlement</i>	
• As session law, allocate \$15 million from the General Fund for the Kerr v. State of Arizona settlement and require JLBC review of expenditure plan.	3
• As session law, revert any unused settlement related monies to the General Fund.	3
• As session law, revert any settlement related unclaimed refunds in FY 2007 to the General Fund.	4

**Criminal Justice BRB
HB2868/SB1568**

Section

Attorney General

Legal Services Cost Allocation

1, 7

- As permanent law, amend A.R.S. § 41-191.09 to exclude the Department of Economic Security, the Arizona Health Care Cost Containment System, the Superior Court, the Arizona Department of Administration Risk Management Fund, and the Arizona Department of Agriculture from the pro rata charge.
- As permanent law, amend A.R.S. § 41-191.09 to apply the pro rata charge to the General Fund payroll as well as Other Appropriated and Non-Appropriated payrolls.
- As permanent law, amend A.R.S. § 41-191.09 to increase the pro rata charge from 0.33% to 0.62%.
- Retroactive to June 30, 2006.

Department of Corrections

Budget Structure

2

- As session law, require the Department of Corrections to report actual FY 2006, estimated FY 2007, and requested FY 2008 expenditures for the new budget structure (Correctional Officers Personal Services, Health Care Personal Services, All Other Personal Services, Employee Related Expenditures, Health Care All Other Operating Expenditures, Non-Health Care All Other Operating Expenditures) and special lines items as delineated in the FY 2007 General Appropriation Act when the department submits the FY 2008 budget request pursuant to A.R.S. § 35-133.

Private Bed Contract

3

- As session law, notwithstanding any other law and require the department to issue a request for proposals (RFP) and to execute a contract for 3,000 privately operated beds by March 31, 2007. Require JLBC review of the RFP prior to release and of the contract prior award.
- As session law, appropriate \$11,193,000 from the General Fund in FY 2008 for the private beds to become operational beginning in April 2008 if the contract is executed by March 31, 2007.
- As session law, require \$7,980,000 from the department's FY 2007 budget for inmate population growth and increases for health care costs to revert to the General Fund if the contract is not executed.

Department of Public Safety

Aircraft Use

6

- As session law, require non-DPS and non-law enforcement personnel to reimburse DPS for the use of DPS fixed wing aircraft.

Redirect CJEF Revenues

4

- As session law, continue to redirect 9% of CJEF revenues, formerly deposited into the General Fund, to DPS to fund the department's crime lab operations in FY 2007.

State Treasurer

Justice of the Peace Salaries

5

- As session law, continue to fund state share of Justice of the Peace (JP) salaries at 38.5% in FY 2007.

**Environment BRB
HB2869/SB1569**

Section

Department of Agriculture

Livestock and Crop Conservation Fund

- As session law, set administrative cap for Fund at 10% instead of 5% in FY 2007. 11

Department of Environmental Quality

Underground Storage Tank Fund

- As session law, continue to set administrative cap at \$6,031,000 in FY 2007. 9

State Land Department

Due Diligence Fund

- As permanent law, establish appropriated Due Diligence Fund consisting of legislative appropriations and reimbursements for advance due diligence studies conducted by the department. Monies in excess of \$500,000 revert to the General Fund. 4, 5
- As session law, appropriate all monies in the fund in FY 2007. 13

State Parks Board

State Lake Improvement Fund

- As permanent law, restrict use of Fund monies to waters where gasoline-powered boats are permitted. 1

State Parks Enhancement Fund

- As session law, allow appropriated Fund monies to be used for the operation of state parks or for capital needs as approved by the Joint Committee on Capital Review in FY 2007 12

Department of Water Resources

Water Protection Fund

- As session law, continue to suspend the requirement for a \$5 million General Fund appropriation to the Water Protection Fund in FY 2007. 10

Other

Alternative Fuel Compliance

- As permanent law, permit state, municipality, school district, county, or federal fleet managers to earn credits toward the state mandate of alternative fuel vehicle purchases by purchasing biodiesel, diesel substitute or an ethanol or methanol blend. Stipulates that the fuel credit be calculated as one vehicle credit for every 450 gallons of neat biodiesel, 2,250 gallons of diesel substitute, or 530 gallons of E85. 2, 3, 6-8

**General Revenues BRB
HB2871/SB1571**

	<u>Section</u>
Arizona State Schools for the Deaf and the Blind	
<i>Telecommunication Excise Tax</i>	2, 3, 8, 9, 15
<ul style="list-style-type: none"> As permanent law, eliminate ASDB share of the Telecommunications Excise Tax revenues and provide funding from the General Fund. The Telecommunications Excise Tax revenues will be redistributed to the Commission for the Deaf and the Hard of Hearing. Retroactive to June 30, 2006. As permanent law, eliminate ASDB Telecommunications Excise Tax Fund. 	1
Commission for the Deaf and the Hard of Hearing	
<i>Telecommunication Excise Tax</i>	2, 3, 8, 9, 15
<ul style="list-style-type: none"> As permanent law, redistribute ASDB, DHS and Teratogen Information Program shares of the Telecommunications Excise Tax revenues to the Commission for the Deaf and the Hard of Hearing (Telecommunication Fund for the Deaf). ASDB and DHS will be funded from the General Fund. Retroactive to June 30, 2006. 	
Department of Health Services	
<i>Telecommunication Excise Tax/Poison Control Fund</i>	2, 3, 8, 9, 15
<ul style="list-style-type: none"> As permanent law, eliminate DHS share of the Telecommunications Excise Tax revenues that are deposited into the Poison Control Fund, and provide funding from the General Fund. The Telecommunications Excise Tax revenues will be redistributed to the Commission for the Deaf and the Hard of Hearing. Retroactive to June 30, 2006. As permanent law, eliminate Poison Control Fund. 	
Arizona State Lottery Commission	
<i>Powerball Profit Transfer to the General Fund</i>	10
<ul style="list-style-type: none"> As session law, continue to require the Arizona Lottery to return at least 31.6% of Powerball sales to the General Fund in FY 2007. 	
Department of Revenue	
<i>Increase Estimated Sales Tax Payment Threshold</i>	
<ul style="list-style-type: none"> As permanent law, increase the threshold at which a business must make a June estimated sales tax payment from \$100,000 to \$250,000. As permanent law, if FY 2006 revenues exceed the forecast by \$226,000,000, increase the threshold at which a business must make a June estimated sales tax payment to \$1,000,000, instead of \$250,000. 	5 6, 16
Arizona Sports and Tourism Authority	
<i>Eliminate General Fund Backfill in FY 2008</i>	4, 14
<ul style="list-style-type: none"> As permanent law, eliminate statutory provision that automatically transfers monies from the General Fund to the AZSTA when the NFL income tax is below the calculated minimum. Backfill elimination effective in FY 2008. 	
University of Arizona	
<i>Telecommunication Excise Tax/Teratogen Information Program</i>	2, 3, 8, 9, 15
<ul style="list-style-type: none"> As permanent law, eliminate the University of Arizona Health Sciences Center share of the Telecommunications Excise Tax revenues for the Teratogen Information Program and provide funding for the program from the General Fund. The Telecommunications Excise Tax revenues will be redistributed to the Commission for the Deaf and the Hard of Hearing. Retroactive to June 30, 2006. 	
Revenue Sharing	
<i>Small Town Revenue Sharing</i>	12
<ul style="list-style-type: none"> As session law, distribute \$850,000 from the General Fund to towns with populations of 1,500 persons or less. Qualifying towns include Duncan (\$131,420), Fredonia (\$73,750), Hayden (\$116,300), Jerome (\$221,250), Patagonia (\$110,620) and Winkelman (\$196,660). 	
<i>Urban Revenue Sharing In Lieu FY 2009 Appropriation</i>	13
<ul style="list-style-type: none"> As session law, appropriate \$684,277,600 from the General Fund in FY 2009 in lieu of statutory tax transfers for urban revenue sharing. 	

Other*Federal Funds*

11, 15

- As session law, require unrestricted federal funds received between May 1, 2006 and June 30, 2007 to be deposited in the General Fund for the payment of essential government services. Retroactive to April 30, 2006.

Population Estimates Reporting

7

- As permanent law, extend deadline for a Joint Legislative Budget Committee report on the use of population estimates from June 30, 2006 to July 31, 2006.

**Health and Welfare BRB
HB2872/SB1572**

	<u>Section</u>
Department of Administration	
<i>Employee Health Insurance</i>	
• As permanent law, modify existing state employee insurance trust fund report to include information on state employee health insurance actuarial assumptions and methodology for the current year, preliminary estimates for the upcoming plan year, and analysis of the actuarial soundness of state employee health insurance for the most recent and current plan year. Report due March 1.	14
• As session law, prohibit ADOA to make changes to the benefit design of the program without legislative approval in FY 2007.	36
• As session law, prohibit ADOA from implementing a differentiated health insurance premium in FY 2007 based on the integrated or non-integrated status of the provider beginning Oct. 1, 2006.	35
AHCCCS	
<i>Budget Neutrality Compliance Fund</i>	
• As permanent law, amend A.R.S. § 11-292 for technical correction to percentage amounts.	1
<i>Clawback</i>	
• As permanent law, clarifies that required federal Clawback payments are part of the cost of providing long term care services.	1
<i>Capitation Rate Adjustments</i>	
• As permanent law, limit annual capitation rate adjustments to utilization and inflation, unless policy changes have been approved by the Legislature.	6, 9
<i>County Acute Care Contributions</i>	
• As session law, set the County Acute Care contribution at \$59,222,500. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328.	17
<i>County ALTCS Contributions</i>	
• As session law, set county ALTCS contributions at \$244,880,500	18
<i>Disproportionate Share Hospitals (DSH) Withholding</i>	
• As session law, establish FY 2007 withholding amounts from counties	19
<i>Disproportionate Share Uncompensated Care (DUC) Pool</i>	
• As session law, continue the use of a total of \$2,646,200 of DUC pool contributions in AHCCCS for all counties other than Maricopa.	20
<i>Eligibility Privatization</i>	
• As session law, require AHCCCS to issue a request for proposals (RFP) for privatizing the eligibility determination process. Require JLBC review of RFP before issuance.	28
<i>Emergency Rulemaking - Cost-Sharing</i>	
• As session law, provide AHCCCS emergency rulemaking authority through January 1, 2007 for implementing cost-sharing measures in General Appropriation Act.	27
<i>Graduate Medical Education (GME)</i>	
• As permanent law, establishes new distribution methodology for new GME monies with first priority given to programs established between October 2, 1999 and July 1, 2006 which do not currently receive GME monies under current distribution formula	7, 37
• Appropriate \$1,500,000 GF and \$4,500,000 in total expenditure authority for program in FY 2007. Monies are exempt from lapsing.	32
<i>Hospital Loan Program</i>	
• As permanent law, requires AHCCCS to establish hospital loan program to fund start-up and ongoing costs for residency programs in accredited hospitals. Specifies program participation requirements and loan distribution order. Establishes Hospital Loan Residency Fund consisting of legislative appropriations and loan repayment monies and administered by the AHCCCS director.	8
• Appropriate \$1,000,000 for deposit into Fund in FY 2007. Monies are exempt from lapsing.	32
<i>KidsCare Parents (KCP)</i>	
• As session law, continue KCP program until June 30, 2007. Provide AHCCCS emergency rulemaking authority through January 1, 2007 for implementing cost-sharing measures. In	27, 31

lieu of other fee schedules, KCP households shall pay premiums totaling 5% of net income.	
<i>Outlier Reimbursement</i>	
<ul style="list-style-type: none"> As session law, require AHCCCS to evaluate the methodology used to reimburse hospitals for extraordinary operating costs ("outliers") and report to JLBC by October 15, 2006. The session law outlines the minimum requirements of the report, including recommendations for revising the methodology and required statutory changes. 	30
<i>Redetermination</i>	
<ul style="list-style-type: none"> As session law, continue redetermination period of 6 months for Temporary Assistance for Needy Families Cash Benefit clients age 21 or older. Require AHCCCS to report to President of the Senate, Speaker of the House, and the Joint Legislative Budget Committee by February 10, 2007 on the results of the redetermination change. 	21
Department of Economic Security	
<i>Adoption Services Family Preservation Projects</i>	
<ul style="list-style-type: none"> As session law, amend the FY 2006 General Appropriation Act to remove the non-lapsing provision of the appropriation to the Adoption Services-Family Preservation Projects line item. Retroactive to June 30, 2006. 	22, 37
<i>Capitation Rate Adjustments</i>	
<ul style="list-style-type: none"> As permanent law, limit annual capitation rate adjustments to utilization and inflation, unless policy changes have been approved by the Legislature. 	10
<i>Child Care Income Eligibility</i>	
<ul style="list-style-type: none"> As session law, continue to permit DES to reduce income eligibility levels for all child care programs. Require report to JLBC within 15 days of change in levels. 	24
<i>Child Care Reforms</i>	
<ul style="list-style-type: none"> As session law, requires DES to revert \$800,000 of its FY 2007 General Fund operating budget if the department has not fully selected child care reforms passed in conjunction with the FY 2006 budget. Provide emergency rulemaking authority to the department through January 1, 2007. 	26, 27
Governor's Council on Workforce Policy	
<i>Annual Budget Report</i>	
<ul style="list-style-type: none"> As permanent law, require the Governor's Council on Workforce Policy to submit an annual report on statewide job training and workforce development spending to the Governor, President of the Senate, Speaker of the House of Representatives, and the Joint Legislative Budget Committee by September 1 annually. 	15
Department of Health Services	
<i>Capitation Rate Adjustments</i>	
<ul style="list-style-type: none"> As permanent law, limit annual capitation rate adjustments to utilization and inflation, unless policy changes have been approved by the Legislature. 	11
<i>Privatization of the Arizona State Hospital</i>	
<ul style="list-style-type: none"> As session law, require DHS to report to the Joint Legislative Budget Committee on whether DHS intends to privatize the state hospital by July 1, 2007. 	23
<i>Restoration to Competency Cost Sharing</i>	
<ul style="list-style-type: none"> As session law, continue to require Maricopa and Pima Counties and cities to pay 86% of cost of restoration to competency treatment in FY 2007. All other counties would no longer have cost-sharing requirements; in FY 2006, these other counties paid 50%. 	25
<i>Suicide Prevention Program</i>	
<ul style="list-style-type: none"> As permanent law, eliminate the Suicide Prevention Program. This program has not received funding since FY 2002. 	12
<i>Vital Records Electronic Systems Fund</i>	
<ul style="list-style-type: none"> As permanent law, repeal sections of Laws 2004, Chapter 117, which redirected all Vital Records Electronic Systems Fund monies into the General Fund starting July 1, 2006. As session law, require department to revise the current fees to generate no more than \$500,000 into the Vital Records Electronic Systems Fund in FY 2007. Provide emergency rulemaking authority to the department through January 1, 2007. As permanent law, convert the Vital Records Electronic Systems Fund to an appropriated fund. Retroactive to June 30, 2006. 	2, 3, 16, 27, 29, 37 4, 37

Other

Autism Program - DES

- As permanent law, permit DES to enter into a contract for training and oversight of habilitation workers to utilize intensive behavioral treatment through applied behavioral analysis, subject to legislative appropriation. Appropriate \$200,000 from the Tobacco Tax Medically Needy Account in FY 2007 to DES for this purpose. Exempt from lapsing through June 30, 2008. 5, 33
- As session law, require DES to submit to the Governor, President of the Senate, Speaker of the House of Representatives and JLBC an evaluation of these services by March 1, 2007 34

Autism Program - DHS

- As permanent law, permit DHS, subject to legislative appropriation, to provide additional children's autism services through contract with established firm meeting specified criteria for services that utilize techniques of discrete trial and natural environment intensive behavioral treatment through applied behavioral analysis. Appropriate \$1,800,000 from the Tobacco Tax Medically Needy Account in FY 2007 to DHS for this purpose. Exempt from lapsing through June 30, 2008. 13, 33
- As permanent law, permit DHS, subject to legislative appropriation, to provide additional children's autism services through contract with an Arizona-based firm meeting specified criteria for providing toddlers with autism services that utilize intensive early intervention. Appropriate \$500,000 from the Tobacco Tax Medically Needy Account in FY 2007 to DHS for this purpose. Exempt from lapsing through June 30, 2008. 15, 33
- As session law, require DHS to submit to the Governor, President of the Senate, Speaker of the House of Representatives and JLBC an evaluation of both these services by March 1, 2007 34

**Higher Education BRB
HB2873/SB1573**

	<u>Section</u>
Board of Medical Student Loans	
<i>Eliminate Medical Student Scholarships Program</i>	
<ul style="list-style-type: none"> As permanent law, eliminate the authority of the board to award medical student scholarships, but retain its authority to award loans. Preserve existing contracts for students who have already received a scholarship as a result of the program begun in FY 2006. 	9, 18, 19
<i>Medical Student Loans Program</i>	
<ul style="list-style-type: none"> As permanent law, remove loan qualifying restrictions related to the intended field of study, but continue to give preference to students who plan to practice family medicine, general pediatrics, obstetrics and gynecology, general internal medicine, or combined medicine and pediatrics. Also give preference to students who demonstrate a strong commitment to seek a residency and practice medicine in Arizona. Eliminate financial need as the basis for receiving a loan, and instead distribute on a first come first served basis. Award at least 50% of the monies to students at private medical schools. Increase the living allowance to \$20,000 from its current level of \$17,023. 	7, 8
Universities/Board of Regents	
<i>Alumni Association Funding</i>	
<ul style="list-style-type: none"> As permanent law, prohibit the use of any tuition collections for alumni associations. 	1, 12
<i>Financial Aid Report</i>	
<ul style="list-style-type: none"> As permanent law, require ABOR to report on financial aid by December 1 of each year. The report shall include information on student costs of attendance, family contribution, grants, loans, and employment. 	2
<i>Enrollment Count Dates</i>	
<ul style="list-style-type: none"> As session law, continue to require ABOR to report to JLBC and OSPB by December 1, 2006 and April 15, 2007 with comparisons between the 21st and 45th day of the fall and spring semesters. 	13
<i>Indirect Debt Financing</i>	
<ul style="list-style-type: none"> As permanent law, require JCCR review of capital projects that are not directly financed by a university but that are taken into account by credit rating agencies when determining the university credit rating. 	4 - 6
<i>Joint Study Committee on Medical School Education</i>	
<ul style="list-style-type: none"> As session law, continue the Joint Study Committee on Medical School Education through December 31, 2006. The purpose of the committee is to evaluate statewide needs for medical education. 	16, 17
<i>Public Posting of Employment Opportunities</i>	
<ul style="list-style-type: none"> As session law, require all public higher education institutions to publicly post all employment openings. 	15
<i>Credit Threshold Exemptions</i>	
<ul style="list-style-type: none"> As permanent law, exempt certain credits earned by students from the credit hour threshold. Among the exempted credits are those that are earned for a degree program requiring hours above the threshold, credits earned in the pursuit of 2 baccalaureate degrees, licenses, or certificates, credits earned toward a teaching certification, credits transferred from a private institution or one located in another state, credits earned more than 24 months after the end of the student's previous enrollment in state higher education, and credits earned at another institution that are not accepted as transfer credits at the institution of enrollment. Require ABOR to report to JLBC by October 15 of each year the number of students who exceeded the credit hour threshold in the prior year. 	1, 3
<i>Enrollment Audits</i>	
<ul style="list-style-type: none"> As permanent law, delay the deadline for the first enrollment report to the Auditor General until July 21, 2007. Clarify that enrollment reports account for the previous fall semester. Eliminate requirement that professors certify rosters, in favor of a requirement for ABOR recommendations on this subject by June 30, 2006. 	3
ASU-Main	
<i>Downtown Phoenix Campus Plan Review</i>	
<ul style="list-style-type: none"> As session law, require ABOR and ASU to submit for JLBC review by October 1, 2006 detailed operational and capital plans for the development of the downtown campus. 	14
University of Arizona	
<i>Clinical Rotations</i>	
<ul style="list-style-type: none"> As permanent law, continue to prohibit medical schools in the state from restricting their associated hospitals from offering clinical rotations to any qualified medical student. 	10

Community Colleges*Gila Provisional Community College Prop 301 Payback*

- As session law, require Gila Provisional Community College to reimburse the State Treasurer for the prior distribution of Prop 301 workforce development funding. From FY 2007 to FY 2012, Gila Provisional shall annually pay \$72,364 to the State Treasurer. The State Treasurer shall deposit the monies into the Classroom Site Fund. 21

Commission for Postsecondary Education*Postsecondary Education Grant Program*

- As permanent law, establish a program to annually distribute \$2,000 grants to qualifying Arizona residents with either U.S. citizenship or lawful immigration status who are enrolled at a baccalaureate degree granting private institution in the state. Require a grant recipient to meet the minimum qualifications established by the Commission, which shall be comparable to the admissions standards established by the Arizona Board of Regents for enrollment to a public university. A grant recipient who fails to achieve a baccalaureate degree within 5 years of receipt of the award shall repay the amount to the Postsecondary Education Commission. Appropriate \$7.7 million from the General Fund in FY 2007 for the program. Pursuant to A.R.S. § 41-3102, the program ends after 10 years. 11, 20

K-12 Education BRB
HB2874/SB1574

	<u>Section</u>
Arizona Department of Education	
<i>Inflation Adjustment</i>	1, 2, 8
<ul style="list-style-type: none"> As permanent law, increase by 2% the formula funding "base level" in A.R.S. § 15-901(B2) and the transportation funding amounts per route mile in A.R.S. § 15-945(A5). As permanent law, increase by 4.3% the charter school "additional assistance" amounts per pupil in A.R.S. § 15-185(B4). 	
<i>K-3 Weight</i>	7
<ul style="list-style-type: none"> As permanent law, increase the K-3 funding weight from 0.060 to 0.210, which will increase funding for that weight by \$143,000,000 (including \$38,050,000 transferred from the Full-Day Kindergarten program). 	
<i>Desegregation Cap</i>	12
<ul style="list-style-type: none"> As session law, continue through FY 2007 a "soft cap" that allows desegregation expenditures to increase for enrollment growth and inflation. 	
<i>Joint Technological Education Districts (JTED's)</i>	14 – 16
<ul style="list-style-type: none"> As session law, continue to prohibit formation of new JTEDs or joining of existing JTEDs by additional school districts. As session law, continue to cap state aid to an individual JTED at the greater of its FY 2005 state aid or double its Qualifying Tax Rate revenues (QTR) for the current year. As session law, cap JTED tax rates for FY 2007 at the FY 2005 level. 	
<i>K-12 Rollover</i>	10, 11, 21
<ul style="list-style-type: none"> As session law, defer until July 1, 2007 \$191 million of the Basic State Aid and Additional State Aid (Homeowner's Rebate) payment that school districts otherwise would receive on June 15, 2007, and appropriate \$191 million in FY 2008. As session law, require paying off the \$191 million in FY 2007 if FY 2006 General Fund revenues exceed forecast by \$191 million. 	
<i>Rapid Decline Formula</i>	13
<ul style="list-style-type: none"> As session law, continue to fund Rapid Decline at 50% for FY 2007. 	
<i>Shorter School Year</i>	9
<ul style="list-style-type: none"> As session law, continue to allow a shorter than 36-week school year using longer days. 	
<i>Student Count Revisions</i>	5
<ul style="list-style-type: none"> As permanent law, allow a school district or charter school to make upward revisions to its Average Daily Membership count for a year after the end of a fiscal year. Currently, districts have 3 years to make revisions. 	
<i>Transfers</i>	3
<ul style="list-style-type: none"> As permanent law, amend language requiring JLBC review of transfers into or out of formula programs to conform with revised line item names. 	
<i>Excess Utilities</i>	4
<ul style="list-style-type: none"> As permanent law, require all districts to report information on utility expenditures (currently only districts budgeting for Excess Utilities must report). 	
<i>Average Daily Membership Audits</i>	17
<ul style="list-style-type: none"> As session law, authorize the Department of Education or Auditor General to conduct financial, program or compliance audits in FY 2007, including average daily membership audits, of school districts and charter schools. 	
<i>Teacher Experience Index</i>	6, 18
<ul style="list-style-type: none"> As permanent law, permit a school district to make corrections to its Teacher Experience Index (TEI) data between March 15 and April 15. As session law, permit a school district to recalculate its TEI after April 15, 2006 if it had a total attending ADM count of between 5,100 and 5,200 pupils for FY 2005. (Prescott School District) 	
<i>Hayden-Winkelman Unified</i>	19
<ul style="list-style-type: none"> As session law, appropriate \$1,865,400 to the district for FY 2007 from the School Improvement Revenue Bond Debt Service Fund to redeem existing bonds. As session law, require the district to levy a secondary tax to repay the \$1,865,400 amount in 3 annual installments at 4% interest starting on July 1, 2008 and ending on July 1, 2010. 	

- As session law, require the district to reduce its primary property tax rate each year to reflect Truth in Taxation reductions and prohibit it from increasing its secondary tax rate through new budget overrides and bond issuances.

County Equalization Tax Rate (CETR)

20

- As session law, appropriate an additional \$71,406,100 for Basic State Aid for FY 2007 to offset a loss of “local share” revenue due to a \$(0.14) reduction in the CETR in the tax package.
- As session law, repeal the above appropriation if the \$(0.14) CETR reduction does not become law.

**School Facilities Board BRB
HB2875/SB1575**

Section

School Facilities Board

Lease-to-Own Authority

- As permanent law, repeal board authority to enter into lease-to-own agreements to finance new school construction costs, including any refinancings or refundings of current issuances, retroactive to May 15, 2006. Specify that the Legislature does not intend to appropriate funding for debt service payments on any lease-to-own transactions entered into by the board in FY 2007. 1, 2, 3, 6, 7

Building Renewal Appropriation

- As session law, appropriate \$86.3 million to the Building Renewal Fund in FY 2007. 5, 7

Building Renewal Formula

- As permanent law starting in FY 2007, change the building renewal formula to better reflect actual building system maintenance costs: 1) Limit the age of a building to 30 years; 2) Eliminate separate funding formula for portable buildings; 3) Use square foot per student requirements from minimum adequacy guidelines rather than from new construction guidelines and 4) Use "replacement cost" per square foot rather than new construction cost per square foot in the formula. 4, 7

**State Government BRB
HB2870/SB1570**

Section

Department of Revenue

Unclaimed Property

- As permanent law, eliminate requirement for newspaper listing of names of individuals with unclaimed property. Instead, require newspaper notices at least semiannually directing the public to the department's internet website or a toll-free telephone number. 2

Other

Arizona Centennial

- As permanent law, permit non-state-employee members of the Historical Advisory Commission to be reimbursed for travel expenses. 1
- As session law, transfer responsibility for accepting and spending gifts and grants to coordinate statewide plan for Arizona's centennial from the director of the Arizona State Library, Archives, and Public Records to the Historical Advisory Commission and permit the Commission to contract for staff. 3
- As session law, appropriate \$5,000,000 GF to Legislative Council in FY 2007 for a statewide plan, activities and projects relating to the Arizona centennial. Allow expenditure of \$5,000,000 after \$10,000,000 has been collected by the Historical Advisory Commission from non-state sources. The \$5,000,000 appropriation is exempt from the provisions of lapsing until June 30, 2013. 4

Post-February Appropriations Committee Footnote Changes

AHCCCS

- Added: Monies are included to pay Medicare Part D prescription copays after the 4th prescription.
- Added: AHCCCS shall implement cost-sharing assumed in FY 04 budget; AHCCCS is to report to JLBC by 9/1/06 on status of cost-sharing plan
- Modified: Preliminary capitation rate estimates are limited to range of no more than 1%.

Corporation Commission

- Added: Monies appropriated for corporation filings same-day services shall revert to Public Access Fund at end of FY 2007 if the Commission cannot meet specified timelines.

Department of Corrections

- Added: Monies are included for a \$1,000 salary increase for each employee in the correctional officer series.
- Added: Department shall provide a monthly expenditure report by the 30th day of the following month.
- Added: Department shall transmit FY 05 operating per capita report by July 1, 2006, FY 06 report by February 1, 2007.
- Added: Department shall pay health and dental insurance charges based on actual enrollment in FY 2007.

Department of Economic Security

- Added: Monies are included to pay Medicare Part D prescription copays after the 4th prescription.
- Modified: Preliminary capitation rate estimates are limited to range of no more than 1%.

Arizona Department of Education

- Added: Monies for Information Technology SLI are not to be used to collect more data or hire more permanent FTEs and are non-lapsing through FY 2008.

Department of Environmental Quality

- Added: WQARF Advisory Board required to submit report with recommendations for program improvement by Dec. 1, 2006.
- Deleted: Portion of \$4 million in new monies are appropriated to Auditor General to hire a consultant to perform outside audit of WQARF program, with results submitted by February 1, 2007.
- Modified: Expanded existing annual WQARF progress report to include WQARF budget developed in consultation with WQARF advisory board. Also required is an October 2006 report summarizing remediation status for each WQARF registry site.
- Added: Monies for travel reduction plan allocated in specific amounts for Maricopa, Pima, and Pinal counties.

Department of Health Services

- Added: Monies appropriated in the Assurance and Licensure SLI specifically to address health care backlogs.
- Added: Monies appropriated to pay 100% of prescription drug co-payments for dual eligible clients under Medicare Part D.
- Added: Preliminary capitation rate estimates are limited to range of no more than 1%.
- Added: Monies appropriated for pay raises for direct case workers and psychiatrists at the Arizona State Hospital. The department shall submit an expenditure plan for JLBC review prior to implementation.
- Added: Monies appropriated for grants to non-profit agencies to assist women in seeking alternatives to abortion.

Judiciary

- Added: The Administrative Office of the Courts shall report semi-annually to the JLBC on the expenditures from the Case and Cash Management System SLI and progress on implementing the project.
- Modified: Technical changes to the reporting requirements on automation projects

Joint Legislative Budget Committee

- Added: JLBC Staff shall present a study on potential fiscal impacts of privatizing health care services in the Department of Corrections.

Department of Juvenile Corrections

- Added: Monies appropriated for \$1,000 pay increase for youth correctional officers.

Department of Public Safety

- Added: Monies appropriated to shift funding for the statewide employee pay raise (Laws 2006, Chapter 1) from the Highway User Revenue Fund and State Highway Fund to the General Fund.
- Added: Monies appropriated to expand GITEM program for border enforcement are repealed if HB 2577 or similar legislation appropriating the same funding is enacted.

Department of Transportation

- Added: ADOT shall submit quarterly reports to the JLBC regarding customer wait times and vehicle registration renewal by mail.

Universities

- Modified: Requires the Board of Regents to submit an expenditure plan for review that includes retained tuition and fee revenue expenditures.

Department of Water Resources

- Added: Monies appropriated to perform automated groundwater monitoring, including funding for 2 FTEs.

Major New February Appropriations Committee Footnotes**AHCCCS**

- Added: It is legislative intent that AHCCCS implement the cost-sharing schedule assumed in the FY 2004 budget.
- Added: AHCCCS shall report to the JLBC by November 1, 2006 on the fiscal impact of implementing the provisions of the Deficit Reduction Act that allow greater flexibility in the Medicaid program.

Department of Corrections

- Added: DOC must submit a report to the JLBC on the use of off-site and take home vehicles by October 1, 2006.

Department of Economic Security

- Modified: Transfers to or from the Children Support Services, CPS Residential, CPS Emergency and Foster Care Placements SLIs require JLBC approval.
- Modified: Transfers to or from the TANF Cash Assistance SLI require JLBC approval.
- Modified: Transfers to or from the Day Care Subsidies and Transitional Child Care SLIs require JLBC approval.
- Added: DES shall provide quarterly reports on progress in meeting federal TANF work participation requirements.
- Added: DES shall apply for the maximum TANF grant for Healthy Marriages and Responsible Fatherhood.
- Added: DES shall report to the JLBC on reimbursed child care programs operating in public school facilities.

Department of Emergency and Military Affairs

- Added: DEMA shall submit a request to the Department of Defense to conduct National Guard training exercises at the border.

Department of Environment Quality

- Added: DEQ shall submit a report to the JLBC by December 1, 2006 on water quality permit processing.
- Added: Expenditures over the appropriated amount of the Indirect Cost Recovery Fund require JLBC review.
- Added: Transfers from the Arizona Pollution Discharge Elimination SLI require JLBC review.

Department of Health Services

- Added: Expenditures in the Seriously Mentally Ill Non-Title XIX SLI shall be made from each fund in proportion to that fund's appropriation in the SLI.
- Added: DHS shall report quarterly to the JLBC on progress in settling the *Arnold v. Sarn* lawsuit.

Judiciary

- Added: AOC shall include a report on probation staffing and funding with the FY 2008 budget request.
- Added: Expenditure of any reimbursement monies requires prior JLBC review.

Commission for Postsecondary Education

- Added: The Commission shall not transfer monies from the Postsecondary Education Student Financial Assistance SLI.

Department of Public Safety

- Added: Monies appropriated to the GITEM SLI to expand GITEM for immigration enforcement. Prior JLBC review of expenditure plan and quarter reports are required.
- Added: DPS shall submit a report to the JLBC on the use of take home vehicles by October 1, 2006.
- Added: DPS shall submit the intended distribution of the Salary Adjustment SLI monies for JLBC review.
- Added: Transfers from the Additional Highway Patrol Personnel SLI require JLBC approval.
- Added: DPS shall report monthly to JLBC on staffing levels.
- Added: It is legislative intent that DPS fill the 25 positions held vacant in FY 2006.

Secretary of State

- Added: Transfers to or from the Elections Services SLI require JLBC review.

Department of Transportation

- Added: Transfers to or from the Motor Vehicle Division require JLBC approval.
- Added: It is legislative intent that ADOT identify total third-party staff resources in the FY 2008 budget request.
- Added: ADOT shall report quarterly to the JLBC on progress in increasing third-party transactions.
- Added: ADOT shall report to the JLBC by November 1, 2006 on third-party transaction review standards.
- Added: Monies appropriated for a study of new MVD computer system planning. Requires prior JLBC review of expenditure plan.
- Added: ITAC review required prior to release of RFP for the assessment of the new computer system.
- Added: ADOT shall submit for JLBC review a report on where funding for MVD counter clerks was shifted by July 31, 2006.

Arizona State University

- Added: ASU shall provide full program budget detail in the budget request for the Downtown Phoenix Campus. Transfers to or from the Downtown Phoenix Campus SLI require JLBC review.

Department of Water Resources

- Added: It is legislative intent that monies in the Assured and Adequate Water Supply SLI be used exclusively for that program. Transfers to or from the Assured and Adequate Water Supply SLI require JLBC review.
- Added: DWR shall submit an expenditure plan for the Assured and Adequate Water Supply SLI to the JLBC by August 1, 2006.
- Added: DWR shall report quarterly to the JLBC on fees collected by the Assured and Adequate Water Supply Program.

General Fund
Detailed List of FY 2007 Changes Above/(Below) FY 2006 by Agency

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
OPERATING SPENDING CHANGES					
DOA - Arizona Department of Administration	\$24,761,500				
DOA - Standard/Technical		20,100			20,100
DOA - AZNET Lease		0		894,000	894,000
OAH - Office of Administrative Hearings	1,137,200				
OAH - Enacted Adjustment		(33,000)			(33,000)
AGR - Department of Agriculture	10,561,600				
AGR - Enacted Adjustment		(337,300)			(337,300)
AXS - AHCCCS	1,035,090,900				
AXS - Enrollment & Inflation Growth		151,070,200		(31,178,200)	119,892,000
AXS - Tobacco Settlement Offset		17,000,000		(13,748,000)	3,252,000
AXS - Tobacco Tax Revisions		0		(2,700,000)	(2,700,000)
AXS - KidsCare Parents Expiration		(10,700)	Continue	10,300,000	10,289,300
AXS - Eligibility Privatization RFP		0	BRB		0
AXS - Recruiting Arizona Physicians		2,500,000	\$ in BRB		2,500,000
AXS - Medicare Part D Copays		1,500,000	Footnote: Subsidy of > 4		1,500,000
AXS - Temporary Medical Coverage		0	\$ in separate bill	8,700,000	8,700,000
AXS - Long-Term Care County Adjustments		0	\$ in separate bill	1,742,000	1,742,000
AXS - HIPAA Compliance		350,000	One-time		350,000
AXS - Implement FY 04 Co-Pays		0	Footnote		0
AXS - Report on Fed Cost Sharing Options		0	Footnote		0
AXS - No Cap Rate Policy Changes		0	BRB		0
ART - Arizona Commission on the Arts	3,837,100				
ART - Enacted Adjustment		(18,900)			(18,900)
ATT - Attorney General	25,037,500				
ATT - ISA Cost Allocation to All Agencies		(6,041,000)			(6,041,000)
ATT - General Fund Reduction		(500,000)			(500,000)
ATT - Budget Format		0	Detailed Line		0
CHA - State Board for Charter Schools	734,100				
CHA - Enacted Adjustment		(21,400)			(21,400)
COM - Department of Commerce	11,450,100				

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
COM - Standard/Technical		0			0
COM - Military Base Economic Impact Study		0	One-time	250,000	250,000
CCO - Arizona Community Colleges	154,075,700				
CCO - Operating State Aid Formula		4,175,700			4,175,700
CCO - Capital Outlay State Aid Formula		715,900			715,900
CCO - Equalization Aid Formula		2,569,300			2,569,300
CCO - Law/Fire Academy Capital		3,000,000	One-time		3,000,000
COR - Corporation Commission	5,133,000				
COR - Standard/Technical		0			0
DOC - Department of Corrections	697,612,400				
DOC - Partial Year Funding of New Prison Beds		15,276,600			15,276,600
DOC - Population Growth		4,237,200			4,237,200
DOC - Expiring Federal Funds		15,555,500			15,555,500
DOC - New Special Lines - Complexes, Provisionals, County Beds		0	Replace with Modified Lump Sum		0
DOC - Private Prison RFPs - 3,000 New Beds in '08		0	\$ penalty; '08 approp		0
DOC - Correctional Officer Pay		0	\$1,000 above Ch. 1	8,751,300	8,751,300
DOC - Van Pool		1,500,000	One-time		1,500,000
DOC - Health Care		3,742,800			3,742,800
DOC - Fuel Costs		520,800			520,800
DOC - Fund Provisional Bed Contracts		5,825,200		4,000,000	9,825,200
DOC - Private Bed Contract Increases		2,382,600			2,382,600
DOC - Adjust 1,000 Beds Opening Date		(2,238,600)	One-time		(2,238,600)
DOC - All Other Operating Expenses Funding		0		9,900,000	9,900,000
DOC - GPS Monitoring		0	\$ in separate bill	750,000	750,000
JUS - Arizona Criminal Justice Commission	1,302,000				
JUS - Enacted Adjustment		0			0
SDB - AZ State Schools for the Deaf and the Blind	16,173,300				
SDB - Telecommunications Excise Tax Fund Shift		991,400			991,400
SDB - School Bus Replacement		850,000			850,000
SDB - Assistive Technology		0	One-time	110,000	110,000
SDB - Air Conditioning for Dorms		300,000	One-time		300,000
DES - Department of Economic Security	630,214,300				
DES - Standard/Technical		(153,900)			(153,900)
DES - ADMINISTRATION					
DES - DEVELOPMENTAL DISABILITIES					
DES - DD Title 19 Long Term Care		20,871,600		(1,371,700)	19,499,900
DES - Provider Adjustments		4,505,300	98.4% of '06		4,505,300

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
DES - No Cap Rate Policy Changes		0	BRB		0
DES - BENEFITS AND MEDICAL ELIGIBILITY					
DES - AGING AND COMMUNITY SERVICES					
DES - Community Services for Elderly		0		4,000,000	4,000,000
DES - Domestic Violence Support		1,000,000		1,818,800	2,818,800
DES - CHILDREN YOUTH & FAMILIES					
DES - Adoption Services		2,149,000			2,149,000
DES - Permanent Guardianship		2,713,000			2,713,000
DES - Foster Care/Adoption Rate Increase		6,329,000			6,329,000
DES - Residential Drug Treatment		(75,000)			(75,000)
DES - More CPS Performance Measures		0	Gen'l Approp Act		0
DES - Higher Education & Training Vouchers		0	\$ in separate bill	500,000	500,000
DES - JOBS/CHILD CARE					
DES - Child Care Market Rate Survey		7,850,000			7,850,000
DES - Vocational Rehabilitation		675,000	14.9 FTEs	2,234,200	2,909,200
ADE - Arizona Department of Education	3,342,529,300				
ADE - BASIC STATE AID					
ADE - Basic State Aid and Other Formula Growth		227,100,400			227,100,400
ADE - Truth in Taxation Revision		0		10,215,600	10,215,600
ADE - Agency Information Factory		(532,800)			(532,800)
ADE - Achievement Testing		3,057,700			3,057,700
ADE - 17 Solution Team FTEs		0			0
ADE - Flores		0	See Other Section Below		0
ADE - ADM Auditing		291,100			291,100
ADE - Transportation - 180 Days		0	\$ in separate bill	5,500,000	5,500,000
ADE - Repay Rollover		0	Trigger up to \$191M	0	0
ADE - K-3 Weight		0		105,000,000	105,000,000
ADE - Gifted Support		0	\$ in separate bill	2,000,000	2,000,000
ADE - Information Technology		0	One-time	2,500,000	2,500,000
ADE - E-Learning		0	One-time, \$ in separate bill	3,000,000	3,000,000
ADE - Charter Additional Assistance		0		3,000,000	3,000,000
ADE - Teach America		0	One-time, \$ in separate bill	2,000,000	2,000,000
ADE - Physical Education		0	One-time, \$ in separate bill	600,000	600,000
ADE - Private School Scholarships for Disabled		0	\$ in separate bill	2,500,000	2,500,000
ADE - Foster Care Vouchers		0	\$ in separate bill	2,500,000	2,500,000
EMA - Department of Emergency & Military Affairs	13,839,000				
EMA - Project Challenge Facility Funding		0	One-time; retain \$500K in base		0
EMA - Enacted Adjustment (NEMF)		19,300			19,300
DEQ - Department of Environmental Quality	24,347,000				
DEQ - Eliminate Federal Backfill Footnote		0			0
DEQ - AZPDES Litigation		0	Footnote/Line Item		0
DEQ - In Lieu Fee Expiration		0	Operating transfer offset	500,000	500,000

		Feb.			
	FY 2006	Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
DEQ - WQARF Transfer		4,000,000			4,000,000
DEQ - Water Permit Increases		200,000	One-time		200,000
DEQ - Budget Format		0	Program Modified Lump Sum		0
DEQ - Maricopa/Pima/Pinal Travel Reduction Plans		0		1,676,900	1,676,900
OEO - Governor's Office of Equal Opportunity	227,200				
OEO - Enacted Adjustment		(6,300)			(6,300)
EQU - State Board of Equalization	584,500				
EQU - Standard/Technical		0			0
EQU - State Board of Equalization Members		0	\$ in separate bill	30,000	30,000
EXE - Board of Executive Clemency	985,300				
EXE - Enacted Adjustment		(28,600)			(28,600)
BAN - State Dept of Financial Institutions	3,264,400				
BAN - Document Imaging		45,000			45,000
BAN - Regulatory Enforcement Unit		65,300			65,300
BAN - Financial Institutions Examiners		50,400			50,400
BFS - Department of Fire, Building & Life Safety	3,373,500				
BFS - Enacted Adjustment		(95,100)			(95,100)
GEO - Arizona Geological Survey	815,700				
GEO - Enacted Adjustment		(19,000)			(19,000)
GOV - Office of the Governor	6,288,600				
GOV - Standard/Technical		0			0
OSP - Gov's Office of Strategic Planning & Budgeting	2,075,400				
OSP - Standard/Technical		0			0
DHS - Department of Health Services	476,823,200				
DHS - BEHAVIORAL HEALTH					
DHS - Title XIX Caseload		45,611,500		(15,727,200)	29,884,300
DHS - ASH Backfill		1,600,000			1,600,000
DHS - No Cap Rate Policy Changes		0	BRB		0
DHS - SVP Switch to ASH Security		0	Included		0
DHS - Medicare Part D Copays		480,000			480,000
DHS - ASH Pay		0		3,100,000	3,100,000
DHS - PUBLIC HEALTH					
DHS - Eliminate One-Time Project		(200,000)			(200,000)
DHS - Dr. Loan Repayment - Fund Shift		100,000			100,000
DHS - Backfill Poison Control Revenue		2,200,000			2,200,000
DHS - Lab Services		300,000			300,000

		Feb.			
	FY 2006	Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
DHS - Licensure Backlogs		0	Health Facilities Footnote; 11.7 FTEs	745,900	745,900
DHS - Quarterly Arnold v. Sam Report		0	Included		0
DHS - Alzheimer's Research		0	One-time	3,000,000	3,000,000
DHS - Autism Research		0	One-time, \$ in separate bill	7,100,000	7,100,000
DHS - Eliminate Non-Maricopa-Pima RTC Costs		0		1,600,000	1,600,000
DHS - Women's Issues		0		500,000	500,000
DHS - Mobile Dental Units		0		200,000	200,000
DHS - Abstinence Education		0		500,000	500,000
DHS - Osteoporosis Outreach		0	\$ in separate bill	300,000	300,000
DHS - Kidney Programs		0	\$ in separate bill	300,000	300,000
AZH - Arizona Historical Society	4,063,200				
AZH - Enacted Adjustment		(83,700)			(83,700)
PAZ - Prescott Historical Society	664,200				
PAZ - Enacted Adjustment		(25,100)			(25,100)
CIA - Arizona Commission of Indian Affairs	210,000				
CIA - Enacted Adjustment		(4,900)			(4,900)
INS - Department of Insurance	6,561,400				
INS - Enacted Adjustment		(213,700)			(213,700)
SPA - Judiciary - Supreme Court	12,650,000				
SPA - Standard/Technical		(2,100)			(2,100)
SPA - CASA Shortfall		102,000			102,000
SPA - Rent Reallocation		1,690,700			1,690,700
SPA - 07 Judges Pay (Enacted)		45,400			45,400
SPA - Law Clerk Market Adjustment		47,800			47,800
SPA - JCEF Backfill		0		2,000,000	2,000,000
SPA - FCRB Federal Reimbursements		0	Footnote		0
SPA - Integrated Family Court		0	One-time, \$ in separate bill	850,000	850,000
SPA - GPS Monitoring		0	\$ in separate bill	750,000	750,000
COA - Judiciary - Court of Appeals	12,099,500				
COA - Standard/Technical - Division I		(6,700)			(6,700)
COA - Standard/Technical - Division II		41,500			41,500
COA - Annualization of '06 FTEs		117,200	\$63.5 K One-time		117,200
COA - Administrative Expenses		136,700			136,700
COA - Law Clerk Market Adjustment		205,400			205,400
COA - FY 07 Judges Pay (Enacted)		193,700			193,700
SUP - Judiciary - Superior Court	92,791,700				

		Feb.			
		Approps GF '07	May 16 Proposal	May 16 GF '07	May 16 GF '07
	FY 2006	Above FY 2006	Comments	Above Feb. Approps	Above FY 2006
SUP - Standard/Technical		(32,700)			(32,700)
SUP - FY 07 Judges Pay (Enacted)		702,500			702,500
SUP - Drug Court (Enacted)		1,000,000			1,000,000
SUP - 3 New Judgeships		266,100			266,100
SUP - Probation Growth		0			0
DJC - Department of Juvenile Corrections	69,801,300				
DJC - Eliminate One-time Funding		(763,500)			(763,500)
DJC - Population Growth		818,000			818,000
DJC - CRIPA		495,000	One-time		495,000
DJC - Land Trust Offset		2,265,100			2,265,100
DJC - YCO Salary		0	\$1,000 above Ch. 1	888,400	888,400
LAN - State Land Department	22,821,700				
LAN - Eliminate One-time Funding		(639,700)			(639,700)
LAN - Eliminate One-time Fire Equipment		(272,700)			(272,700)
LAN - Radio System Upgrade		96,000			96,000
LAN - CAP Fee Reduction		(511,400)			(511,400)
LAN - Trust Land Management		0	4.5 FTEs; \$500K One-time	1,829,100	1,829,100
LAN - Fire Suppression		1,628,900	\$1.5 M One-time		1,628,900
LAN - Restore Eastern County Reduction		0		125,000	125,000
LAN - NRCD Funding		250,000			250,000
LEM - Law Enforcement Merit System Council	71,500				
LEM - Enacted Adjustment		(4,900)			(4,900)
Legislature					
AUD - Auditor General	12,949,300				
AUD - Standard/Technical		0			0
AUD - Pay Package		0		1,400,000	1,400,000
HOU - House of Representatives	12,399,900				
HOU - Standard/Technical		0			0
JLBC - Joint Legislative Budget Committee	2,775,000				
JLBC - Standard/Technical		0			0
LEG - Legislative Council	5,144,300				
LEG - Standard/Technical		0			0
LEG - Arizona Centennial		0	\$ in BRB, One-time	5,000,000	5,000,000
LEG - Ombudsman-Citizen Aide; Public Access Laws		0	\$ in separate bill	185,000	185,000
LIBR - AZ State Library, Archives & Public Records	7,058,100				
LIBR - Standard/Technical		0			0
LIBR - 1 FTE		0	Already funded	0	0

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
SEN - Senate	8,109,800				
SEN - Standard/Technical		0			0
LIQ - Department of Liquor Licenses & Control	4,134,500				
LIQ - Enacted Adjustment		(70,800)			(70,800)
MSL - Board of Medical Student Loans	1,500,000				
MSL - Standard/Technical		0			0
MIN - State Mine Inspector	1,148,100				
MIN - Enacted Adjustment		(31,900)			(31,900)
MMR - Department of Mines & Mineral Resources	807,500				
MMR - Enacted Adjustment		(12,700)			(12,700)
NAV - AZ Navigable Steam Adjudication Commission	164,800				
NAV - Standard/Technical		0			0
NUR - State Board of Nursing	162,700				
NUR - Enacted Adjustment		(1,300)			(1,300)
OSH - Occupational Safety & Health Review Board	0				
OSH - Enacted Adjustment		0			0
SPB - Arizona State Parks Board	22,447,600				
SPB - Enacted Adjustment		(67,100)			(67,100)
SPB - Kartchner Caverns Operating Shift		0		700,000	700,000
SPB - Arizona Trail		0	\$ in separate bill	100,000	100,000
SPB - Parks Operating Shift		0		2,650,000	2,650,000
PER - Personnel Board	343,800				
PER - Enacted Adjustment		(5,500)			(5,500)
PIO - Arizona Pioneers' Home	0				
PIO - Enacted Adjustment		0			0
PIO - Fund Shift		800,100			800,100
POS - Commission for Postsecondary Education	1,391,700				
POS - Higher Education School Choice Scholarships		8,200,000	\$ in BRB	(500,000)	7,700,000
POS - Private School Grants		229,100			229,100
DPS - Department of Public Safety	44,582,100				
DPS - Sex Offender Compliance - 8 FTEs		699,700			699,700

		Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
DPS - Highway Patrol - 46 FTEs		5,360,000	Monthly Report; Intent statement on filling '06 FTEs ; One-time as GF		5,360,000
DPS - HURF Shift		51,374,600	One-time	2,683,800	54,058,400
DPS - State Highway Fund Shift to Cap		31,531,800	One-time	1,643,500	33,175,300
DPS - Fuel Budget		1,522,300			1,522,300
DPS - 911 Call Takers - 4 FTEs		161,700			161,700
DPS - Support Staff - 5 FTEs		429,900			429,900
DPS - GITEM Expansion - 100 FTEs		10,000,000			10,000,000
DPS - GITEM Expansion - Locals		10,000,000			10,000,000
RAC - Arizona Department of Racing	2,568,800				
RAC - Enacted Adjustment		(69,300)			(69,300)
RAD - Radiation Regulatory Agency	1,661,300				
RAD - Enacted Adjustment		(35,500)			(35,500)
RAD - Increased Inspectors		0	4 FTEs	255,400	255,400
ARP - Arizona Rangers' Pensions	12,800				
ARP - Enacted Adjustment		200			200
REA - State Real Estate Department	3,658,300				
REA - Enacted Adjustment		(128,800)			(128,800)
REV - Department of Revenue	64,582,800				
REV - BRITS Contract Oversight		0	BRB		0
REV - Revenue Generating Program (103 FTE)		(6,989,400)	Restore 103 FTE	6,989,400	0
REV - Small City Grants		0	\$ in BRB, One-time	850,000	850,000
SFB - School Facilities Board	392,586,200				
SFB - Deficiency Correction		(20,000,000)			(20,000,000)
SFB - One-time Payment Holiday		23,590,100			23,590,100
SFB - Fund Lease-Purchase Payment		1,203,300			1,203,300
SFB - Building Renewal		16,283,500	\$ in BRB		16,283,500
SOS - Secretary of State	3,072,200				
SOS - State Elections		3,400,000			3,400,000
SOS - High Speed Copier		200,000	One-time		200,000
SOS - 2 Business Services FTEs		82,400			82,400
SOS - 2 Election FTEs		105,500			105,500
TAX - State Board of Tax Appeals	285,800				
TAX - Enacted Adjustment		(7,900)			(7,900)
TOU - Office of Tourism	13,203,500				

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
TOU - Formula Funding		1,782,500			1,782,500
DOT - Department of Transportation	74,700				
DOT - Standard/Technical		0			0
TRE - State Treasurer	5,391,900				
TRE - Justice of Peace Salaries		173,500			173,500
USL - Commission on Uniform State Laws	52,300				
USL - Enacted Adjustment		0			0
UNI - Universities					
UNI - Arizona Board of Regents	9,105,200				
UNI - No Tuition for Alumni Association		0	BRB		0
UNI - Professor Perf. Measure		0	Gen'l Approp Act		0
UNI - 32 WICHE Subsidies		671,600			671,600
UNI - Review Local Retention Budget		0	Footnote		0
UNI - Indirect Financing Review		0	BRB		0
UNI - ASU - Main Campus	300,964,900				
UNI - ASU Main 155 Credit Hour Cap		(1,327,800)		375,800	(952,000)
UNI - ASU Main Enrollment Formula		10,847,100		3,346,400	14,193,500
UNI - ASU Downtown Special Line		0	Transfer/Review		0
UNI - ASU - East Campus	15,394,700				
UNI - ASU East 155 Credit Hour Cap		(85,500)		35,800	(49,700)
UNI - ASU East Enrollment Formula		2,131,800		611,800	2,743,600
UNI - ASU - West Campus	44,032,000				
UNI - ASU West 155 Credit Hour Cap		(67,200)		1,800	(65,400)
UNI - ASU West Enrollment Formula		1,139,500		313,800	1,453,300
UNI - Northern Arizona University	122,336,800				
UNI - NAU 155 Credit Hour Cap		(298,800)		112,800	(186,000)
UNI - UA - Main Campus	288,100,100				
UNI - UA Main 155 Credit Hour Cap		(957,700)		377,200	(580,500)
UNI - UA Main Enrollment Formula		307,300		104,400	411,700
UNI - UA Main South		0	One-time	1,200,000	1,200,000
UNI - UA - Health Sciences Center	63,208,600				
UNI - UA - HSC 155 Credit Hour Cap		(187,900)		96,600	(91,300)
UNI - UA - HSC Enrollment Formula		760,800		272,300	1,033,100
UNI - UA - HSC Phoenix Medical Campus Special Line		0	Transfer Review		0
UNI - UA - HSC Clinical Rotations No Restrictions		0	BRB		0

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	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
UNI - UA - HSC Residency/Rotations Report		0			0
UNI - UA - HSC Teratogen Fund Replacement		0	1 FTE	60,000	60,000
VSC - Department of Veterans' Services	2,336,300				
VSC - Enacted Adjustment		(77,300)			(77,300)
VSC - Veteran Benefit Counselors		0	25 FTEs	1,125,000	1,125,000
VSC - Rural Arizona Outreach Program		0		50,000	50,000
VSC - Northern Arizona Veterans' Cemetery		0		182,700	182,700
VSC - Southern Arizona Veterans' Cemetery Maintenance		0		121,500	121,500
VSC - Pearl Harbor Memorial		0	One-time; \$ in separate bill	69,000	69,000
WAT - Department of Water Resources	18,796,600				
WAT - Assured Fee Offset		0			0
WAT - Adjudication Support		500,000	One-time		500,000
WAT - Automated Groundwater Monitoring		0	2 FTEs	500,000	500,000
WEI - Department of Weights & Measures	1,573,400				
WEI - Standard/Technical		(64,000)			(64,000)
WEI - Computer Equipment		22,000	One-time		22,000
OTH - Other					
OTH - FY 07 State Employee Health Insurance Increase	0	25,000,000		3,695,900	28,695,900
OTH - FY 07 Retirement Increase	0	23,558,400		4,077,100	27,635,500
OTH - State Employee (Ch. 1)		130,241,800			130,241,800
OTH - Ladewig Litigation	58,300,000	40,900,000	Funds \$94.8 M	(4,399,900)	36,500,100
OTH - Budget Stabilization Fund	439,772,100	(429,963,500)	Total = \$9.8 M		(429,963,500)
OTH - Comm. For Deaf Fund Deposit		0	One-time	850,000	850,000
OTH - Highway Fund Deposit		0	One-time	245,000,000	245,000,000
OTH - Border Projects		0	1-time (incl Crime Lab=\$105M)	107,000,000	107,000,000
OTH - Water Banking Deposit - Indian Firming		13,500,000	One-time		13,500,000
OTH - Unallocated '06 Employee Pay	126,800	(126,800)			(126,800)
OTH - Biennial '06 Annualizations		1,500,000			1,500,000
OTH - FY 06 Supplementals	31,669,300	(31,669,300)			(31,669,300)
OTH - Attorney General Cost Allocation		3,895,800		699,900	4,595,700
OTH - Maximize Federal Funds	(25,000,000)	0	Total of \$(5) M	20,000,000	20,000,000
OTH - Administrative Adjustments	23,000,000	0	Total of \$48 M	25,000,000	25,000,000
OTH - Revertments	(51,169,300)	0	Total of \$(101.2) M	(50,000,000)	(50,000,000)
OTH - Agency Report if no Performance Measure		0	Footnote		0
OTH - Flores Set-Aside		29,610,000		1,800,000	31,410,000
OTH - Kerr Litigation		0		15,000,000	15,000,000
OTH - AZNet		0		5,300,600	5,300,600
OTH - Methamphetamine		0	\$ in separate bill	8,000,000	8,000,000
OTH - Earth Fissures		0	\$ in separate bill	313,200	313,200
OTH - Capital Case Litigation		0	\$ in separate bill	220,000	220,000

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	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
TOTAL - SPENDING CHANGES	\$8,668,825,600	\$521,996,500		\$567,506,900	\$1,089,503,400
CAPITAL SPENDING CHANGES (One-time)					
ADOA Building Renewal		3,849,200	One-time		3,849,200
Universities Building Renewal		20,000,000	One-time		20,000,000
Library and Archives Building	15,000,000	0	Fund @ \$15M in '07		0
One-time Projects	2,150,000	(2,150,000)			(2,150,000)
Dept of Corrections Lock/Door Replacement		5,200,000			5,200,000
ASDB - Phoenix & Tucson Buildings		0		19,000,000	19,000,000
DES - Navajo Multi-Purpose Building		0		450,000	450,000
ASU - Polytechnic Buildings		0		30,000,000	30,000,000
Prescott Historical Society		0		400,000	400,000
Veterans' Home		0	Cash; \$ in separate bill	10,000,000	10,000,000
DPS Crime Lab Lease-Purchase		0	See Border Projects		0
DPS Microwave Tower		0	One-time thru '09	1,500,000	1,500,000
Williams Gateway Grants		0		1,105,000	1,105,000
City of Williams Dam Repair		1,100,000	One-time	400,000	1,500,000
Yuma Welcome Center		0	\$ in separate bill	4,000,000	4,000,000
TOTAL - CAPITAL SPENDING CHANGES	\$17,150,000	\$27,999,200		\$66,855,000	\$94,854,200
REVENUE CHANGES					
REV - Corporate Consolidated Returns		(4,000,000)			(4,000,000)
REV - Tax Reductions		0	Omnibus Bill	(250,000,000)	(250,000,000)
REV - IRS Conformity		0		(1,400,000)	(1,400,000)
REV - June Estimated TPT Threshold		0	\$250K Threshold	(20,200,000)	(20,200,000)
REV - Judicial Collections Adjustment		0		(1,381,900)	(1,381,900)
REV - Net New Revenue - 07	0	664,131,100		107,000,000	771,131,100
REV - Cap GF Powerball @ \$31 (LTAF 2 gain)		0		(6,000,000)	(6,000,000)
REV - Health Insurance Premium Tax Credit		0	Separate bill	(5,000,000)	(5,000,000)
REV - Corporate School Credit Cap		0	Separate bill	(5,000,000)	(5,000,000)
REV - Solar Energy		0	Separate bill	(1,500,000)	(1,500,000)
REV - Tax Exemption Liquid Natural Gas		0	Separate bill	(378,600)	(378,600)
REV - Corp Commission LLC Filing Fees		0	Separate bill	(53,000)	(53,000)
REV - Racing Fund Shift		0	Separate bill	(1,600,000)	(1,600,000)
REV - All Other One-Time Adjustments		571,316,200			571,316,200
TOTAL - OTHER REVENUE	\$0	\$1,231,447,300		(\$185,513,500)	\$1,045,933,800
FY 06 Revenue Changes		157,424,400		48,000,000	205,424,400
Disproportionate Share Revenue		0		16,162,900	16,162,900
FY 06 Supplemental Changes					
Ch. 1 Employee Pay		39,854,000			39,854,000

	FY 2006	Feb. Approps GF '07 Above FY 2006	May 16 Proposal Comments	May 16 GF '07 Above Feb. Approps	May 16 GF '07 Above FY 2006
ADOA - Health Insurance Trust Fund		0		10,000,000	10,000,000
Department of Education		(15,473,900)	Total = \$16.2 M		(15,473,900)
Department of Education - Flores		0		2,555,000	2,555,000
Board of Equalization		0		323,200	323,200
Department of Health Services		350,000		6,390,200	6,740,200
Supreme Court		0		388,700	388,700
Land Department (Fires)		0	HB 2395 - Enacted	6,200,000	6,200,000
Department of Corrections		0		9,900,000	9,900,000
Department of Revenue		0		975,000	975,000
Named Claimants		0	HB 2257	211,400	211,400
Budget Stabilization Fund		11,019,800	Total = \$450.8 M		11,019,800
Higher BSF with Revenue Adjustment		0		4,491,400	4,491,400
Net Reversionment Adjustments		0		(5,000,000)	(5,000,000)
Subtotal		35,749,900		36,434,900	72,184,800
ENDING BALANCE		\$803,126,100		(\$792,147,400)	\$10,978,700

Other Funds
Detailed List of FY 2007 Changes Above/(Below) FY 2006 by Agency

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
OPERATING SPENDING CHANGES					
SBA - State Board of Accountancy	2,201,200				
SBA - Enacted Adjustment		(46,600)			(46,600)
ACU - Board of Acupuncture Examiners	100,600				
ACU - Enacted Adjustment		(3,000)			(3,000)
DOA - Arizona Department of Administration	158,762,300				
DOA - Standard/Technical		32,800			32,800
DOA - Risk Mgmt Losses & Premiums		4,498,600			4,498,600
DOA - Workers' Comp Losses & Premiums		(69,800)			(69,800)
DOA - One-time Telecomm Equipment		(750,100)			(750,100)
DOA - Telecomm Office		0		725,600	725,600
DOA - HRIS COP Payment		1,238,400			1,238,400
DOA - Enterprise Data Storage Upgrade		500,000			500,000
OAH - Office of Administrative Hearings	14,100				
OAH - Enacted Adjustment		(200)			(200)
OAH - Registrar of Contractors		0			0
AGR - Department of Agriculture	2,830,400				
AGR - Enacted Adjustment		(92,600)			(92,600)
AXS - AHCCCS	215,828,300				
AXS - Tobacco Tax - Medically Needy		3,476,900		556,800	4,033,700
AXS - Tobacco Tax - Emergency Services		757,100		691,200	1,448,300
AXS - KidsCare Caseload and Capitation Rate Growth		9,641,000		4,190,900	13,831,900
AXS - KidsCare Parents		(29,745,300)	Continue	34,813,400	5,068,100
AXS - BNCF Statutory Adjustment		136,500			136,500
AXS - Eliminate KidsCare Parents - Admin		(1,486,900)		1,486,900	0
AXS - KidsCare FMAP Adjustment		(80,800)			(80,800)
AXS - HIPAA Compliance		152,400			152,400
APP - State Board of Appraisal	620,200				
APP - Enacted Adjustment		(83,900)			(83,900)
ATT - Attorney General	30,321,500				
ATT - ISA Cost Allocation		6,041,000			6,041,000
ATT - Continue CERF Funding for Operating		0	BRB		0

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
ATA - Automobile Theft Authority	4,982,300				
ATA - Enacted Adjustment		(134,200)			(134,200)
BAR - Board of Barbers	238,200				
BAR - Enacted Adjustment		(7,600)			(7,600)
BAR - Supplemental for Increased Inspections		44,000			44,000
BHE - Board of Behavioral Health Examiners	1,402,600				
BHE - Enacted Adjustment		(142,800)			(142,800)
BCE - State Board of Chiropractic Examiners	477,600				
BCE - Enacted Adjustment		(14,900)			(14,900)
COM - Department of Commerce	3,523,100				
COM - Standard/Technical		0			0
ROC - Registrar of Contractors	9,890,600				
ROC - Enacted Adjustment		(290,300)			(290,300)
ROC - OAH Hearings - Move to OAH		31,000			31,000
COR - Corporation Commission	20,079,200				
COR - One-time Equipment Reduction		(224,100)			(224,100)
COR - Staffing for Processing Delays		0	Continue \$547K in one-time funding in FY 07		0
COR - IT Staffing		402,800			402,800
COR - General Counsel Staffing		67,500			67,500
COR - Engineering Staffing		102,700	1 FTE for Utilities Div		102,700
DOC - Department of Corrections	45,193,100				
DOC - One-time Equipment		(1,500,000)			(1,500,000)
DOC - Transition Office Fund		0		(171,400)	(171,400)
DOC - Transition Program Drug Fund		(500,000)		600,000	100,000
COS - Board of Cosmetology	1,613,200				
COS - Enacted Adjustment		(103,200)			(103,200)
JUS - Arizona Criminal Justice Commission	6,146,400				
JUS - Enacted Adjustment		(483,500)			(483,500)
SDB - AZ State Schools for the Deaf and the Blind	14,808,300				
SDB - Telecomm Excise Tax Fund Shift		(991,400)			(991,400)
HEA - Commission for the Deaf & the Hard of Hearing	5,315,400				
HEA - Enacted Adjustment		(35,700)			(35,700)

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
DEN - Board of Dental Examiners	1,042,000				
DEN - Enacted Adjustment		(94,800)			(94,800)
PRC - Drug & Gang Prevention Resource Center	572,000				
PRC - Enacted Adjustment		(25,400)			(25,400)
DES - Department of Economic Security	466,385,800				
DES - TANF Caseload Decline		(9,253,700)		(8,000,000)	(17,253,700)
DES - Coolidge Eligibility Fund Transfer		(2,544,300)			(2,544,300)
DES - Autism		0	\$ in BRB	200,000	200,000
ADE - Arizona Department of Education	52,214,600				
ADE - Endowment Earnings		1,997,700			1,997,700
ADE - Colorado City		0	\$ in separate bill	318,000	318,000
ADE - Hayden-Winkelman Bond Repayment		0	\$ in BRB	1,865,400	1,865,400
EMA - Department of Emergency & Military Affairs	132,700				
EMA - Standard/Technical		0			0
DEQ - Department of Environmental Quality	70,985,600				
DEQ - Standard/Technical		43,500			43,500
DEQ - Eliminate Double Count Approp		0			0
DEQ - School Bus/Air Quality Grants		(4,000,000)			(4,000,000)
DEQ - In Lieu Fee Expiration		(500,000)	UST - Indirect Shift		(500,000)
DEQ - Indirect Cost Recovery		(1,694,500)		(500,000)	(2,194,500)
DEQ - Water Permits Increases		200,000	One-time		200,000
COL - Arizona Exposition and State Fair Board	15,352,300				
COL - Enacted Adjustment		(228,400)			(228,400)
EMB - Board of Funeral Directors and Embalmers	313,700				
EMB - Enacted Adjustment		(8,800)			(8,800)
FIS - Arizona Game and Fish Department	27,215,100				
FIS - Enacted Adjustment		(1,437,600)			(1,437,600)
FIS - Lower Colorado Agreement		350,000			350,000
FIS - Watercraft DUI		160,000	Footnote		160,000
FIS - Watercraft Safety Education		290,000			290,000
FIS - Salaries		1,100,000			1,100,000
FIS - Fuel		74,600			74,600
GAM - Department of Gaming	11,708,800				
GAM - Enacted Adjustment		(85,500)			(85,500)

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
GTA - Government Information Technology Agency	2,609,900				
GTA - Enacted Adjustment		(70,700)			(70,700)
DHS - Department of Health Services	76,323,700				
DHS - Poison Control Fund Revenue Alignment		(2,200,000)			(2,200,000)
DHS - Eliminate One-time Alzheimer's Funding		(3,000,000)	Tobacco Tax		(3,000,000)
DHS - Newborn Screening Additional Tests		2,239,400			2,239,400
DHS - Nursing Care Incentive Grants		128,500			128,500
DHS - Licensure Backlog \$		(200,000)	Non-lapsing		(200,000)
DHS - Dr. Loan Repayment Fund Shift		(100,000)			(100,000)
DHS - ASH Backfill		(1,600,000)			(1,600,000)
DHS - Vital Records Operating		500,000	Approp: Reduce Fees		500,000
DHS - Autism Pilot		0	\$ in BRB	2,300,000	2,300,000
DHS - Eliminate Non-Maricopa-Pima RTC Costs		0		(1,600,000)	(1,600,000)
DHS - Southern Arizona Trauma Center		0	\$ in separate bill	2,000,000	2,000,000
AZH - Arizona Historical Society	193,700				
AZH - Enacted Adjustment		0			0
HOM - Board of Homeopathic Medical Examiners	80,900				
HOM - Enacted Adjustment		(2,600)			(2,600)
HOU - Department of Housing	686,800				
HOU - Enacted Adjustment		(32,600)			(32,600)
IND - Industrial Commission	17,739,900				
IND - Enacted Adjustment		(535,900)			(535,900)
INS - Department of Insurance	25,000				
IND - Enacted Adjustment		0			0
SPA - Judiciary - Supreme Court	30,566,600				
SPA - Rent Reallocation		(1,037,900)			(1,037,900)
SPA - Probation Surcharge shift to JCEF		(2,723,800)			(2,723,800)
SPA - CASA Fund Shift		(102,000)			(102,000)
SUP - Judiciary - Superior Court	7,495,700				
SUP - Standard/Technical SLI		0			0
SUP - Probation Surcharge Shift		2,723,800			2,723,800
DJC - Department of Juvenile Corrections	6,246,800				
DJC - State Juvenile Education System Adjustment		336,800			336,800
DJC - Fund Shift		(2,265,100)			(2,265,100)
DJC - Well Renovation		0	Risk Mgmt	340,000	340,000

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
DJC - Population Growth		100,000			100,000
LAN - State Land Department	585,700				
LAN - Wineglass Ranch Dam Safety		(319,600)			(319,600)
LAN - Dam Repair		230,600	Risk Mgmt		230,600
LAN - NRCD Fund Shift		(46,100)			(46,100)
LIBR - AZ State Library, Archives & Public Records	626,700				
LIBR - Standard/Technical		0			0
LOT - Arizona State Lottery Commission	60,154,200				
LOT - Enacted Adjustment		(374,700)			(374,700)
MED - Arizona Medical Board	5,324,300				
MED - Enacted Adjustment		(154,700)			(154,700)
MSL - Board of Medical Student Loans	296,600				
MSL - Eliminate Medical Board Funding		(283,400)			(283,400)
MSL - Medical Student Loan Fund Increase		296,600			296,600
MIN - State Mine Inspector	195,000				
MIN - Enacted Adjustment		(195,000)			(195,000)
NAT - Naturopathic Physician Examiners Board	508,500				
NAT - Enacted Adjustment		(54,600)			(54,600)
NUR - State Board of Nursing	3,132,800				
NUR - Enacted Adjustment		(82,900)			(82,900)
NCI - Nursing Care Inst. Administrators Board	383,500				
NCI - Enacted Adjustment		(10,800)			(10,800)
OCC - Board of Occupational Therapy Examiners	224,200				
OCC - Enacted Adjustment		(6,300)			(6,300)
DIS - State Board of Dispensing Opticians	96,900				
DIS - Standard/Technical		0			0
DIS - Salary		5,800			5,800
OPT - State Board of Optometry	196,100				
OPT - Enacted Adjustment		(18,500)			(18,500)
OST - Arizona Board of Osteopathic Examiners	664,400				
OST - Enacted Adjustment		(62,400)			(62,400)

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
SPB - Arizona State Parks Board	12,442,100				
SPB - Enacted Adjustment		(383,300)			(383,300)
SPB - Parks Fees Shift		0		(2,650,000)	(2,650,000)
PHA - Arizona State Board of Pharmacy	1,525,700				
PHA - Enacted Adjustment		(111,600)			(111,600)
PHY - Board of Physical Therapy Examiners	277,200				
PHY - Enacted Adjustment		(8,800)			(8,800)
PIO - Arizona Pioneers' Home	5,869,100				
PIO - Enacted Adjustment		(177,800)			(177,800)
PIO - Funding Shift		(800,100)			(800,100)
POD - State Board of Podiatry Examiners	114,800				
POD - Enacted Adjustment		(3,900)			(3,900)
POS - Commission for Postsecondary Education	2,878,100				
POS - College Savings Program Increase		20,700			20,700
PRI - Board for Private Postsecondary Education	290,400				
PRI - Enacted Adjustment		(900)			(900)
PSY - State Board of Psychologist Examiners	356,300				
PSY - Enacted Adjustment		(4,600)			(4,600)
DPS - Department of Public Safety	139,022,500				
DPS - Eliminate One-time Equipment		(1,728,800)			(1,728,800)
DPS - Sworn Pay Adjustment		2,768,100			2,768,100
DPS - Highway Patrol - 46 FTEs		0	Monthly Report; Intent statement on filling '06 FTEs; Shift to General Fund		0
DPS - Highway Patrol Vehicles		0	\$6,780,000 (base)		0
DPS - Mobile Data Computers		(339,400)			(339,400)
DPS - Highway Patrol Transfers - JLBC Approval		0	Footnote		0
DPS - HURF Shift to Cap		(51,374,600)			(51,374,600)
DPS - State Highway Fund Shift to Cap		(31,531,800)			(31,531,800)
DPS - Helicopters		12,100	Add new lease-purchase		12,100
DPS - Fingerprint Equipment		807,800			807,800
DPS - Crime Lab Staff - 11 FTEs		881,000	Monthly Report		881,000
DPS - Sex Offender Fund Shift (5) FTEs		(355,500)			(355,500)

	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
RAC - Arizona Department of Racing	345,000				
RAC - Enacted Adjustment		0			0
RAD - Radiation Regulatory Agency	254,900				
RAD - Enacted Adjustment		(7,600)			(7,600)
RUC - Residential Utility Consumer Office	1,206,200				
RUC - Enacted Adjustment		(31,100)			(31,100)
RES - Board of Respiratory Care Examiners	194,500				
RES - Enacted Adjustment		(5,500)			(5,500)
RET - Arizona State Retirement System	22,926,900				
RET - Retirement Staffing		495,800			495,800
RET - One-Time Costs		(3,632,900)			(3,632,900)
REV - Department of Revenue	2,389,300				
REV - Unclaimed Property		1,770,000	Footnote		1,770,000
REV - Unclaimed Property Advertising		0	BRB		0
REV - Imaging Project		83,000			83,000
SOS - Secretary of State	40,000,000				
SOS - HAVA Appropriation		(20,000,000)			(20,000,000)
SOS - Professional Employers		162,400			162,400
SBO - State Boards' Office	177,300				
SBO - Enacted Adjustment		(5,200)			(5,200)
PES - Structural Pest Control Commission	1,991,300				
PES - Enacted Adjustment		(65,600)			(65,600)
TEC - State Board of Technical Registration	1,432,600				
TEC - Enacted Adjustment		(44,900)			(44,900)
DOT - Department of Transportation	409,011,700				
DOT - One-Time Costs		(422,800)			(422,800)
DOT - Certified Ignition Interlock Devices		(310,500)			(310,500)
DOT - Third Party Drivers Licenses		(45,300)			(45,300)
DOT - SETIF - MVLIE Funding Shift		0	Gen'l Approp Act		0
DOT - Phone System		(410,100)			(410,100)
DOT - Highway Maintenance Workload - New Miles		1,762,600			1,762,600
DOT - MVD Customer Service Workload - 25 FTEs		1,099,500			1,099,500
DOT - MVD Call Center - 4 FTEs		166,500			166,500

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	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
DOT - MVD Title & Registration Third Parties - 1 FTE		265,200	6 FTEs		265,200
DOT - MVD Nogales Port-of-Entry - 2 FTEs		163,800			163,800
DOT - MVD VIN Inspection Third Parties		88,400	2 FTEs		88,400
DOT - New Comprehensive MVD Computer Plan		500,000	PIJ Approval		500,000
DOT - MVD Transfers - JLBC Review		0	Footnote		0
DOT - MVD Wait Times		0	Change Definition		0
DOT - Equipment Revolving Fund		0		1,658,700	1,658,700
DOT - Abandoned Vehicle Registration Processing - 3 FTEs		0		147,000	147,000
DOT - MVD Clerk Reduction Report		0	Footnote		0
UNI - Universities					
UNI - ASU - Main Campus	196,172,700				
UNI - Enrollment Growth		8,570,100			8,570,100
UNI - ASU - East Campus	14,961,400				
UNI - Enrollment Growth		1,659,000			1,659,000
UNI - ASU - West Campus	20,047,300				
UNI - Enrollment Growth		890,300			890,300
UNI - Northern Arizona University	39,544,000				
UNI - Enrollment Growth		0			0
UNI - UA - Main Campus	108,131,300				
UNI - Enrollment Growth		246,800			246,800
UNI - UA - Health Sciences Center	14,903,400				
UNI - Enrollment Growth		610,200			610,200
VSC - Department of Veterans' Services	12,890,800				
VSC - Enacted Adjustment		(421,300)			(421,300)
VME - Veterinary Medical Examining Board	415,900				
VME - Enacted Adjustment		(14,300)			(14,300)
WAT - Department of Water Resources	0				
WAT - Assured and Adequate Water Supply		1,100,000			1,100,000
WEI - Department of Weights & Measures	1,391,400				
WEI - Standard/Technical		(3,000)			(3,000)
WEI - Vapor Recovery Inspection FTE		45,100			45,100
WEI - Field Inspectors		42,600			42,600
OTH - Other					

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	FY 2006	Feb. Approps OF '07 Above FY 2006	May 16 Proposal Comments	May 16 OF '07 Above Feb. Approps	May 16 OF '07 Above FY 2006
OTH - Unallocated FY 06 Increase	3,805,800	(3,805,800)			(3,805,800)
OTH - Biennial '06 Annualizations		4,900,000			4,900,000
OTH - FY 07 Retirement	0	12,717,800		(3,427,500)	9,290,300
OTH - FY 07 Health Insurance	0	9,211,300		1,420,400	10,631,700
OTH - FY 07 Employee Pay		38,837,200			38,837,200
OTH - Attorney General Cost Allocation		1,142,000		(335,100)	806,900
OTH - AZNet		0		4,030,500	4,030,500
OTH - Autism Set-Aside		3,000,000	Tob Tax; See DHS	(3,000,000)	0
TOTAL - OPERATING SPENDING CHANGES	\$2,439,599,000	(\$56,267,200)		\$37,660,800	(\$18,606,400)
CAPITAL SPENDING CHANGES					
<u>Building Renewal</u>					
Arizona Department of Administration		3,400,000	29% w/GF		3,400,000
Arizona Exposition and State Fair Board		1,508,400	100%		1,508,400
Game & Fish Department		430,800	100%		430,800
Arizona Lottery Commission		53,600	100%		53,600
Arizona Department of Transportation		3,702,900			3,702,900
<u>New Projects</u>					0
Department of Corrections - Yuma Water Treatment Plant		2,189,000			2,189,000
Game & Fish Flood Warning System		350,000			350,000
Game & Fish Black Canyon Dam Modifications		300,000			300,000
Game & Fish Shooting Range Access Improvements		200,000			200,000
Game & Fish Migratory Waterfowl Habitat		100,000			100,000
Game & Fish Cluff Ranch Pond Access Improvements		50,000			50,000
Game & Fish Yuma Storage		35,000			35,000
Game & Fish Yuma Security System		30,000			30,000
Game & Fish House Rock Surfacing		25,000			25,000
Game & Fish Statewide Preventative Maintenance		15,000			15,000
Game & Fish Yuma Headquarters Fence		10,000			10,000
Game & Fish Flagstaff Parking Gate		10,000			10,000
DPS Microwave Tower		0	ADOT, \$826K, Game & Fish, \$207K, One-time thru '09	1,033,000	1,033,000
ADOT Surprise MVD Service Center Land Acquisition		2,736,200	\$6.7 M in FY 08 to build		2,736,200
ADOT Build 4 De-Icer Materials Storage Buildings		1,478,000			1,478,000
ADOT Install 6 Asphalt Storage Tanks/Basins		1,587,600			1,587,600
ADOT Statewide Highway Construction		84,592,000		32,004,000	116,596,000
ADOT Controlled Access Highways		101,561,000		4,311,000	105,872,000
ADOT Debt Service		65,805,000			65,805,000
ADOT Transfer to Highway Acceleration Acct		0	\$62 million		0
ADOT Airport Planning & Development		22,964,200			22,964,200
ADOT Glendale Airport Civil Air Patrol Improvements		200,000			200,000

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WAT - Williams Dam Repair		400,000	One-time	(400,000)	0
TOTAL - CAPITAL SPENDING CHANGES		\$293,733,700		\$36,948,000	\$330,681,700
FY 06 Supplemental Changes					
Ch. 1 Employee Pay		11,884,300			11,884,300
Department of Education		7,497,400			7,497,400
Department of Health Services		(350,000)			(350,000)
Department of Revenue		0		135,000	135,000
Subtotal		\$19,031,700		\$135,000	\$19,166,700